THE FINANCIAL POST

The Canadian Newspaper for Investors

VOL. XIII. [illegible] COPIES, 10 CENTS — PUBLICATION OFFICE: TORONTO, JANUARY 4, 1919 — ANNUAL SUBSCRIPTION $3.00. No. 1

MATURITIES NOW FACING C[illegible]NADA IN UNITE[illegible] S[illegible]ATES

Total For [illegible] Will B[illegible] Greater T[illegible]an D[illegible]ri[illegible] 191[illegible]

$150,000,000 TO BE [illegible]ET

Some Details of [illegible]utsta[illegible]di[illegible] Issues Coming Due—Go[illegible]er[illegible]ment Two-Year Notes [illegible]ost Important Item

Canadian maturities in 1919 [illegible]oot u[illegible] a total of approximately $150,[illegible]0,[illegible] compared with $140,000,000 i[illegible] 1918. The most important single item in [illegible]he list of Canadian maturities as compiled by THE FINANCIAL POST is the Canadian Government two-year notes which fall d[illegible] in New York [illegible] August, [illegible] it would not be at all surprising t[illegible] [illegible] converted into long [illegible] bonds.

In the first quarter of [illegible]e new year the heaviest amount of fina[illegible]ing must be done this month, the three outstanding maturities being the C.N.R. notes; the Winnipeg Electric notes, and the Province of Saskatchewan bonds, the latter to the amount of more than $3,000,000.

April will witness further important Canadian financing, with the caring for the Grand Trunk Pacific obligation which matures to the extent of $10,000,000 and the looking after the Montreal Tramway notes to the amount of $5,350,000. The Montreal Tramway Company has never apparently experienced difficulty in financing in the Unit[illegible] State[illegible]. If the American m[illegible]oney market is to become free once more for our issues it seems reasonable to anticipate that this obligation will be extended.

In July the Toronto Electric Light Company has $1,000,000 of notes to meet. In the final quarter of the year the Province of Ontario must provide for a $3,000,000 issue which matures and the Brazilian Traction Light & Power Company has $7,000,000 of 6 per cent. notes to provide for.

The detailed list of Canadian maturities, corporate, governmental and municipal grouped follows:

CANADIAN MATURITIES DURING 1919.

Company.	Amount.
January—	
Canada Interlake Line, Ltd., First Serial 6s.	[illegible]0,000
C.P.R. Equip. Tr. 4½% Ctfs. "T"	[illegible]0,000
Rainy River [illegible]ulp & Paper Co.. First 6s	[illegible]5,000
Union Na[illegible]ural Gas Co. of Canada, First 6s.	[illegible]25,000
Vancouver Lumber Co., Ltd., First 6s.	[illegible]37,500
C.N.Ry. 6% secured notes	1,[illegible]50,000
Winnipeg Electric Co. 2-year 6% notes	[illegible]50,000
Province of Saskatchewan (Jan. 1)	[illegible]016,846
	$[illegible]894,346
February—	
Abitibi Power & Paper Co. Ltd.. First Serial 6s.	100,000
C. N. R. Imperial Rolling Stock 4½% "A1"	184,000
C. N. R. Equip. Tr. 5% Ctfs. "LI"	68,000
G. T. R. of Canada Equip. 5% notes "D"	125,000
St. Lawrence Pulp & Lumber Corp. First Skg. Fund 6s.	150,000
T. H. & B. Ry. 4½ Equip. Serial Notes "A"	75,000
	$[illegible]700,000
March—	
Canada West Coast Nav. Co. First Marine Equip. 6s. "A"	10,000
C.N.R. Imperial Rolling Stock 4½ "B1"	74,500
[illegible]ada, First 6s.	125,000
C.N.R. do., "E1"	105,000
C.N.R. do., "F1"	210,000
C.N.R. do.. "G1"	55,000
C.N.R. Imperial Rolli[illegible] Stock 4½% "S"	10[illegible]
	[illegible]
April—	
C.N.R. Imperial R[illegible] Stock 4½ "D1"	1[illegible],000
C.N.R. do., "K1"	[illegible]00
Dom. Power & Transmis[illegible] First 5s.	[illegible]00
G. T. Pacific Ry. [illegible]% Can. Govt. Loan	10,0[illegible]000
Montreal Tram & Po[illegible] Co 2-year 6% Sec. Go[illegible]	5,35[illegible],000
	5,644,000
May—	
Canada West Coat Nov. [illegible] First 6s. "C"	10,000
G.T.P. of Canada E[illegible]uip. T[illegible] 4½ "B"	168.000
G.T.R. of Canada Equip. Tr. 4½ "C"	112,000
Algoma Cen. & Hudson Bay Ry. 6s. "A"	50,000
Algoma Cen. & Hudson Bay Ry. 6s. "C"	7,000

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THE REMOVAL OF THE MINIMUMS WAS UNEXPECTED

Montreal Brokers Were Surprised by Action at Toronto

CHANGE SATISFYING

General Opinion Supports Step Taken, Although a Gradual Revision Was Favored by Some Traders

By Resident Representative

[illegible]ONTREAL.—The Montreal Ex[illegible]ge received a surprise this week when the Toronto Exchange decided to raise the minimum prices and let the market take a free course. The two bodies had been working together on most occasions in the past so much that there was a tendency to resent the other taking action "off its own bat," and this may result in forcing the hand of the Montreal body. There has been a meeting called for one week from next Monday, January 13, to consider the removal of the restrictions, but it is possible that Toronto's action will cause a meeting to be held earlier. The general opinion among the members so far as this could be learned by THE FINANCIAL POST was in favor of the removal of restrictions, although a few urged that it would be better for a month or so at least simply to revise the previous figures especially as some of the stocks had moved so far above the minimums that now they looked ridiculous. There seemed a few cases where protective action would be advisa[illegible] according to some of the brokers.

There are very few stocks listed at Montreal where the minimum limit has been retained in actual trading. One of these until a few days ago was Abitibi Power & Paper Company, where the common stock was at 48 practically all the year, but rose one point last week to 49. The preferred remains at the fixed price of 90, but this is the case with a number of the preferred issues, rather than of the common. Bell Telephone still sticks at 130, the fixed price, and until the question of new rates is settled there would seem little likelihood of any change taking place upwards. Carriage Factories common at 15, and the preferred at 58, have required the protection of the minimum. Consolidated Mining and Smelting Company has stood at the minimum of 25, before and after dividend, and great interest was shown on Thursday when it was learned that the Toronto market with the barriers off had driven the stock down two to three points. Detroit United has been on the minimum line for some time, but has been very inactive anyway. Dominion Bridge is perhaps the most outstanding example of a stock holding at the minimum for a long time, but this rose over four points above this a few months ago, and any favorable news would have a similar effect. Howard Smith Paper holds at 65 the minimum, with no dividend being paid, but this stock did rise to 66, and it is the belief that in a few months better earnings will make dividend payment possible again. In any case the stock is fairly closely held.

Montreal Telegraph is an inactive stock, at the fixed price of 120; Riordon pulp and paper for a few weeks has slipped back to its 117¼; Toronto Railway holds tight to its protection of 60—but these are about all.

Among those that have romped away most are: Ames, Holden preferred, 47 to 65¼; Brazilian, 32 to 52½; Brompton, 38 to 61; Canadian Car & Fdy., common, 18½ to 30½; preferred, 49½ to 85¼; Can. Forgings, 148 to 193; Dominion Textile, com., 80¾ to 100½; Laurentide, 152 to 196; Lake of the Woods, 120¼ to 167; Maple Leaf, 88½ to 136; Montreal Power, 68½ to 87½; Ogilvie Milling, 140 to 220; Steel Company of Canada, 49½ to 64½.

No likelihood of resumption of Illinois Traction dividend, FINA[illegible]CIAL POST learns, in spite of increased fares. Amount no[illegible] received on lines benefited exceeds $2,00[illegible],000 a year, but increase will n[illegible] work out at anything like half thi[illegible]

MUNITIONS CONTRACTS

Further Details of Basis of Preliminary Settlements

By Resident Representative

MONTREAL.—A circular in reference to advancing payments to munition contractors of 50 per cent. to 75 per cent. is to hand from American Dept. of Imperial Munitions Board. After providing for a speedy settlement through District Claims Board circular continues:

"In the event that the aforesaid negotiations shall not result in complete agreement, the District Claims Board may enter into an agreement providing for the payment of 50 per cent. of the amount which may be found by the Board to be the minimum amount which contract is entitled to receive, which percentage may, however, if approved by the Claims Board of the Ordnance Dept., be as much as 75 per cent.

OGILVIE COMMON STAR PERFORMER

Scored An Advance of An Even 72 Points During the Year

The Ogilvie Flour Mills' common stock holds the record for an advance in price during 1918, of an even 72 points. During the year the stock was selling at 145; the last day of the year sales were anxiously attempted at 217, while 230 was asked. This is a remarkable advance under the general market conditions.

This advance suggests what some one who had any indication beforehand could have done in making profits.

Allowing for $10,000 put up as margin to the extent of 20 points, giving 500 shares, this would work out as follows:

Advanced $10,000 for 500 shares.	
Value at 145	$72,500
Margin	10,000
Bal. borrowed	$62,500
Interest charged at 7%	4,375
Dividends at 27% (12+15 bonus)	36,000
	$13,500
Advance in 500 shares at 72 pts.	$45,125
Total profit. $49,500-4375	44,875
Net prof. (less com. at ½%)	

MANUFACTURERS OF STOVES DESIRE STANDARDIZATION

Favor a Continuation of the War-time Industrial Policy

TO LIMIT STYLES

Result Would be More Efficient Production—American Dealers Are Lining Up With New Idea

The policy of standardization of stove styles which was adopted by Canadian stove manufacturers as a war measure to conserve materials and labor, has worked out so successfully that many manufacturers plan to continue it. There has been a big demand for stoves and heaters this season, especially for stoves which will burn either coal or wood. The general situation in regard to the fuel scarcity was responsible for this and also for the record demands for oil and electric heaters. The manufacturers expect a splendid business this year and are preparing for it.

Here are the views of some of the manufacturers in regard to continuing standardization as expressed to "Hardware and Metal":

"In answer to yours in reference to standardization of stoves: Although this was done as a war measure, we consider it a move in the right direction and are endeavoring to concentrate on as few designs and styles of stoves and heaters as possible, which will have the tendency to reduce the cost of production by increasing the output of few lines rather than make smaller quantities of more extended lines, thereby, benefiting all parties concerned from the manufacturer to the consumer."

The Thos. Davidson Mfg. Co., Ltd.

Expect to Continue

The D. Moore Company, Limited, of Hamilton, Ont., writes as follows:

"The policy of reducing the lines of heating and cooking stoves and ranges made has been a necessity with the larger Canadian manufacturers during the latter years of the war, and a programme of standardization accordingly has been necessary where the manufacturer has aimed to give service to the trade.

Continued on page 7.

HAMILTON RADIAL

Interesting Developments in the Burlington Controversy

There have been a number of interesting developments during the week in the situation affecting the Hamilton Radial Railway's Burlington service. The Burlington authorities first endeavored to bring pressure to bear upon the company to continue operations by a direct appeal to Sir Thomas White, acting premier, pointing out that the directors had failed to obey the orders of the Board of Railway Commissioners.

The company shortly after announced that proceedings had been started in Exchequer Court to definitely declare the company insolvent which would probably be followed by the abandonment of all operations and the rails being taken up. The question then arose as to the powers of the courts as opposed to those of the Railway Board. Later supreme court writs were issued making the order of the Railway Board an order of the court.

WATER DISTRICT BONDS AWARDED

Syndicate of Bond Houses Gets Million Dollar Issue of Five-year Sixes

WINNIPEG.—The offer of Wood, Gundy & Co., of Toronto for $1,000,000 of the five-year six per cent. bonds of the Greater Winnipeg Water District at 97.48 has been accepted. There is a final million of bonds to be placed and for these tenders will probably be called.

At the meeting of the Board on Thursday of last week the proceedings were reviewed and Commissioners expressed their views on the action taken. Commissioner Waugh, [illegible] members of the Board contended that the transaction was as good a one as could possibly be expected under the circumstances. Other members felt that, as the money market had improved, tenders should have been called.

"As far as I am concerned," said Commissioner Waugh, as reported by the *Telegram* "I wish the District to get the best price possible, but we have an agreement with the Bank of Montreal, and until we get ready to throw that agreement over we are bound by it. We should either abide by the agreement or simply cancel it. We deal with the Bank of Montreal [illegible] direct transactions [illegible] th[illegible] Woo[illegible] [illegible]dy Company. F[illegible] the ne[illegible] million, if we require another million, let us call for public tenders."

Reeve Richardson believed the Bank of Montreal, as the District's financial agents, had served the District most faithfully and beneficially during the hard times that prevailed for the last number of years. The bank had told the Districe that it would get the best possible conditions for the sale of the bonds, and it had.

B. C. SHIPBUILDING

Coast Industry Assured For Three Years Only

By Special Correspondent

VANCOUVER.—J. J. Coughlan, head of the Coughlan Shipyards on False Creek, Vancouver, and one of the largest of its kin[illegible] [illegible]he coast intimated on his re[illegible] from the East, that [illegible] industry on thi[illegible] its pres[illegible]

YEAR OF CONTROL U.S. RAILROADS BY GOVERNMENT

A Middle Course Has Been Steered by the Director-General

FINANCIAL STATISTICS

Figures to Illustrate What Has Been Accomplished Since the Big Consolidation Took Place

NEW YORK.—December 28 is the first anniversary of the taking over of the railroads of the country by the Government, although actual physical and accounting matters of Federal operation date from midnight of December 31, 1917.

Those who expected much from Federal operation have looked in vain and those who expected little have been likewise forced to revise their expectations, says the *Wall Street Journal*. The Railroad Administration has steered a middle course in many things, in others has put the indicator at "half speed," while in still others, the engine room got "full speed ahead" before the charts were carefully studied and before it was fully determined whether the steering apparatus was in good working order.

No innovations have taken place in the policy of operating the roads further than was started by the old Railroad War Board before the Government took over physical operation of the roads. Nor does the Government appear to have done anything in an operating way that was not either inaugurated or in contemplation by the Railroad War Board and could not have been introduc[illegible] under Government under private as [illegible]ways, of cou[illegible] ownership, provided [illegible] managements would have buried individual hatchets and gotten together for the common weal and the winning of the war, and that they had been given the necessary powers to put their plans into execution.

"Half speed" has been the policy of the Federal Administrators in respect to determining the compensation to be paid to individual roads by the Government and in carrying out other specific intentions of Congress as expressed in the Act. The dilatory processes of acquainting the railroads and incidentally security holders, of their company's financial status with the Government is indicated by the smallness of the number of roads which have so far secured a signed, sealed and delivered contract with the Government. There are only fourteen such out of 450 big and small roads entitled to a contract and out of the approximately 160 large systems in which are included the balance of the small subsidiary lines.

"Full speed ahead" on uncharted paths and with untested steering gear was evidenced in the Administration's generous raising of wages to unheard of levels for railroad labor and the blanket increase in rates to pay the higher wages and for other purposes. Railroad men claim that the present level of wages will break the railroad[illegible] backs unless fares and [illegible] continue at

THE POST THIS WEEK

The special articles in this Review and Outlook Number are prepared by members of the staff of THE FINANCIAL POST *and of associate publications in the MacLean group of Specialized Business Newspapers.*

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BANK OF MONTREAL

Established Over 100 Years (1817-1918)

Capital Paid Up, $16,000,000 Rest, $16,000,000
Undivided Profits, $1,901,613
Total Assets - - - - - - $558,413,546

BOARD OF DIRECTORS:
Sir Vincent Meredith, Bart., President.
Sir Charles Gordon, G.B.E., Vice-President.
R. B. Angus, Esq., Lord Shaughnessy, K.C.V.O. C. R. Hosmer, Esq.
H. R. Drummond, Esq. D. Forbes Angus, Esq. Wm. McMaster, Esq.
Major Herbert Molson, M.C. Harold Kennedy, Esq.
H. W. Beauclerk, Esq. G. B. Fraser, Esq.
Col. Henry Cockshutt J. H. Ashdown, Esq.

Head Office: MONTREAL

General Manager—Sir Frederick Williams-Taylor

Branches and Agencies { Throughout Canada and Newfoundland; Also at London, England; New York, Chicago and Spokane in the United States [illegible]

THE MERCHANTS BANK OF CANADA

Head Office: Montreal. Established 1864.

Paid-up Capital ....$7,000,000 Total Deposits (Oct., 1918).$132,000,000
Reserve Funds ....$7,437,973 Total Assets (Oct., 1918)..$165,000,000

President: SIR H. MONTAGU ALLAN, C.V.O.
Vice-President: K. W. BLACKWELL Managing Director: E. F. HEBDEN
General Manager: D. C. MACAROW.
Supt. of Branches and Chief Inspector: T. E. MERRETT

COLLECTIONS FOR BUSINESS HOUSES

This satisfactory service which The Merchants Bank renders to Business Houess, in the matter of collecting Notes, Drafts, and other financial paper, is due to the number and strategic location of its branches throughout Canada, and the efficient system in force.

Special attention is given to collections; returns are promptly made and credited; losses are often prevented by the care and thoroughness with which we do this part of our work.

236 Branches in Canada Extending from the Atlantic to the Pacific.

The Standard Bank of Canada

QUARTERLY DIVIDEND NOTICE NO. 113

Notice is hereby given that a Dividend at the rate of THIRTEEN PER CENT. PER ANNUM upon the Capital Stock of this Bank has this day been declared for the quarter ending 31st of January, 1919, and that the same will be payable at Head Office in this City, and at its branches on and after SATURDAY, the 1st day of February, to Shareholders of record of the 23rd of January, 1919.

The Annual General Meeting of the Shareholders will be held at the Head Office of the Bank in Toronto, on Wednesday, the 26th of February next, at 12 o'clock noon.

By order of the Board,
C. H. EASSON,
General Manager.

Toronto, December 20th, 1918.

The Dominion Bank

HEAD OFFICE - - TORONTO

SIR EDMUND B. OSLER - President
W. D. MATTHEWS - Vice-President
C. A. BOGERT - - General Manager

THE LONDON, ENGLAND, BRANCH
Of the Dominion Bank at 73 Cornhill, E.C.

Conducts a General Banking and Foreign Exchange Business, and has ample facilities for handling collections and remittances from Canada.

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UNION BANK of CANADA

Established 1865

HEAD OFFICE - WINNIPEG

Paid-Up Capital $5,000,000
Reserve 3,400,000
TOTAL ASSETS .... over $140,000,000

John Galt - President
H. B. Shaw - General Manager
J. W. Hamilton - Assistant General Manager

This Bank, having 299 branches in Canada, extending from Halifax to Prince Rupert, offers excellent facilities for the transaction of [illegible] description of banking business.

[illegible] Letters of Credit issued payable all over [illegible]

[illegible] urns promptly [illegible]

WANT INCREASE CONSIDERED ON PER CENT. BASIS

Manufacturers' Association Prepares For Express Hearing

AS TO FREE DELIVERIES

Companies Expected to Propose Zone System on a Basis of Population to be Served

In connection with the application of the Canadian express companies for permission to increase their charges a preliminary hearing of the Board of Railway Commissioners is to be held at Ottawa on Tuesday, to be followed by sittings at Toronto on January 13th, and at Montreal January 17th, when the arguments of the companies and the shippers will be heard. The Canadian Manufacturers' Association is taking a live interest in the matter from the shippers' standpoint. It is pointed out that apart from the merits of the case of the companies on the ground of higher costs of service rendered, the proposals as outlined mean the abolition of commodity rates on foodstuffs, etc., which would involve a general reorganization of many of the tariff schedules. One of the arguments of the manufacturers will be that if any advance is granted it should be on the basis of percentage increase on the present schedules.

At the hearings announced it is altogether likely that the question of express delivery will also be considered. In this connection it is understood that the companies will propose that population be taken into consideration in establishing free delivery zones and on this basis free delivery in some of the smaller communities would be abolished.

In connection with the application being made by the companies the Manufacturers' Association has sent out the following circular:

"The Express Traffic Association for Canada, on behalf of the express companies, have applied to the Board of Railway Commissioners for authority to increase [illegible] west of Sudbury and 37 per cent. east of Sudbury over the present rates per 100 pounds.

"Shipments weighing 100 pounds or more now move under rates per 100 pounds generally based on the distance the shipment travels. The application proposes three schedules (instead of six as at present) of rates per 100 pounds (a), (b) and (c), applying as follows:

"(a) East of and including Windsor, Sarnia, Sudbury (except T. & N. O.) and Parent;

"(b) West of (a)—except T. & N. O.—and including Crow's Nest, Canmore, Edson and Tollerton, also interchange between (b) and (a);

"(c) West of and including Crow's Nest, Canmore, Edson and Tollerton, also interchange between (c) and (a) or (b).

"While the increases per 100 pounds suggested average 37 per cent. east of Sudbury and 25 per cent. west thereof over present rates per 100 pounds, the actual increases vary in different territories somewhat as follows:

"Territory (a)—Increases from 20 to 100 per cent.

"Territory (b)—Increases from 4 to 70 per cent.

"Territory (c)—Increases from 2 to 80 per cent. and decreases from 4 to 20 per cent. These increases and decreases, however, are not gradual, but fluctuate considerably at different points.

"Shipments weighing less than 100 pounds now move under what are known as graduated charges, or specific amounts for each shipment according to the weight. A change is proposed in the basis of these charges, and while there are increases and decreases proposed, the increases will not be as great as the increases in the rates for shipments weighing 100 pounds or more.

"The applicants also ask for authority to cancel the following special scales:

"(k), covering ale, beer, porter, aerated, carbonated and mineral waters.

"(m) and (n), covering butter, cheese, eggs, meats, packing house products, etc.

"(d), covering books, calendars, pamphlets, sheet music, etc. Also all special [illegible] fish, fruit and vegetables.

[illegible] known, in the past three [illegible] ys have been allowed to [illegible] tes approximately 50 [illegible] ern Canada, and over [illegible] Western Canada, during [illegible] have been no increases [illegible] This had had the effect [illegible] fic formerly carried [illegible] e express companies, [illegible] ies and materially de[illegible] iency of the service. [illegible] mal conditions, how[illegible] to a great extent in [illegible] adequate service."

[illegible] ENCH LOAN

[illegible] Subscriptions Exceed [illegible] Billion Francs

[illegible] the Chamber of De[illegible] debate on the budget, [illegible] nce Klotz announced [illegible] t subscribed to the [illegible] exceeded the amount [illegible] ber 3. Although the [illegible] incomplete, M. Klotz [illegible] capital subscribed [illegible] 00,0000 francs, re[illegible] ctive capital of 21,- [illegible] or more than four [illegible]

THE WORLD'S TONNAGE

United States 35 Per Cent. and Britain 50 Per Cent.

PARIS.—"America will have 35 per cent. of the world's merchant tonnage after the war," said Edward Nash Hurley, chairman of the Shipping Board of the United States, in an interview here.

"England will have 50 per cent. of the tonnage and the other 15 per cent. will mostly be made up by the Scandinavian countries.

"The taking over of between thirty and forty ships from the White Star Line—comprising about 700,000 tons—is now practically agreed upon. Papers are now on their way for the President's signature. Everything was arranged in perfect harmony, the agreement including that the ships are to fly the British flag for three years after the war.

HYDRO REVIEWED FOR MAINE PEOPLE

Some Interesting Conclusions Reached as Result of Broad Investigation

An analysis of power conditions in Ontario under the regime of the Hydro-Electric Commission has been prepared for the people of Maine at the instance of a number of important utility and manufacturing corporations in that state. The analysis has been made for the purpose of getting at the facts and conditions "as they actually exist in a community where the idea of public ownership has had sway for a considerable length of time."

After reviewing many phases of the situation which have been dealt with at different times in THE FINANCIAL POST, and laying special stress upon the methods of legislating contract agreements out of existence—which would be against the national constitution in the United States—the following conclusions are reached as to the benefits or otherwise of public ownership:

There is a serious shortage of power and a consequent loss and distress to manufacturers who have relied upon the publicly owned Hydro-Electric Commission.

The municipalities have large outstanding obligations with an increasing tax rate because of the publicly owned utilities.

The apparent cheapness of electrical current in the Province of Ontario is [illegible] of taxes equaling $1,400,000 yearly.

The service rendered by the publicly owned Hydro-Electric Commission is of inferior quality. Privately owned public service companies are successfully competing at higher rates.

The Province of Ontario is feeling the lack of private initiative and enterprise, on account of publicly owned water powers and utilities, while the Province of Quebec, which has thus far refused to be stampeded into embracing the public ownership idea, has made wonderful industrial progress.

The arbitrary methods employed to acquire privately owned properties and through political influence to suppress proper audit of accounts have become so notorious that a demand on the part of the public for an investigation of the affairs of the Hydro-Electric Commission has been made.

In conclusion the people of Maine are asked whether they would care to have the state embark upon any scheme which already shows signs of weakness in communities where it had been most enthusiastically supported.

COAL PRODUCTION

December Figures Expected to Make Favorable Showing

PITTSBURGH.—Mining operations in the anthracite regions were, as usual, broken into by Christmas festivities, although the miners had been urged to confine their observance to the actual holiday. Coal handlers at tidewater also took extended vacations, but nevertheless the December anthracite production is expected to show up more favorably than that for October and November, the two months which reflected most severely the ravages of the epidemic. One of the largest companies has run considerably ahead of December last year.

Domestic consumers are becoming more critical as to sizes, and cancellations for egg have been reported in some instances. Pea is also in quite good supply. Among the steam sizes, rice and barley are weak, and are reported offered at fully 50 to 75 cents discount under former prices in New York.

It is pointed out that somewhat easier conditions on the domestic sizes are not likely to lead to preference by dealers for "company" rather than "individual" coal, by holding off shipments, inasmuch as the dealers may add the same margin of profit to "individual" coal. Recent advance on anthracite, due to the wage increase, took into consideration the then market prices for steam sizes, some of which have since declined, and the "individual" operators claim that in view of this, and of the mining royalties they pay, the 75-cent per ton price differential over "company" coal to which they are entitled under the present maximum schedule, must [illegible] maintained.

PEACE BRIGHTENS THE OUTLOOK FOR LOAN COMPANIES

Are Again Ready to Assist in Opening Up the Country

GOOD LIQUID POSITION

Values of Investments on a Sound, Conservative Basis—Funds Costing More—Only One Failure

The cessation of war has undoubtedly improved the outlook for those financial organizations known as loan or mortgage corporations and which exercise very important functions in a new country. They are the agency through which settlers and others building homes or building up farms obtain and have obtained rural credit. It is through them that practically all new countries have brought wild territory under the toll of the agriculturalist. In the Dominion their operations were to some extent obstructed by the incidence of war. Men were called to arms and the public felt that in thus responding to national duty some consideration should be shown to them in respect of their civil obligations. The actual arrangements made in this respect are open to criticism from an equitable viewpoint, but the intention behind them is basically sound.

Stronger Liquid Position

It has to be recorded to the credit of this class of corporation that they immediately started, when the war was declared, to set their houses in such order as to meet any contingencies which might arise and as a result of that policy they are to-day in a relatively much stronger position than in 1914. The public is interested in them, especially in Ontario, because of their large volume of deposits and of currency debentures.

Those companies reporting to the Ontario Government which largely derive what domestic funds they handle from Ontario, had at the end of 1917 deposits and currency debentures—that is, debentures payable in Canada—aggregating $53,000,000, or practically $12,000,000 more than at the close of 1913, the year preceding [illegible] there was, in the meantime, a decline in debentures payable abroad of $8,000,000. In the aggregate, at the end of 1917 these organizations had liabilities to the public of $121,000,000. As against this liability they have assets of a very substantial character amounting to $200,000,000. As a protection to those who buy their debentures or deposit money with them, there is a margin of safety of $80,000,000—that is to say for every dollar of liability to the public there is protection to the extent of $1.75 at least. In addition to this substantial margin of bulk security there has been marked improvement in the quality of the bulk.

At the end of 1913, for instance, this class of company did not hold Government securities. The reason for this was that in 1913 Government obligations did not carry a rate of interest high enough to make it worth while employing funds therein when other and high class openings were available. During the course of the war, the rate on Government issues steadily increased and there was in addition an obligation to support national borrowings. The rates, however, at times, were such as to make the investment in Government funds more profitable than investment in mortgages and as a result we find that the companies have accumulated Government securities to the extent of $10,000,000.

Readjusting Investment Values

In 1913 the holdings of stocks and bonds amounted to $19,480,000. There is a risk, however, attached to certain classes of stocks and it would appear that for that reason a reduction was deemed advisable in the extent to which they were held, consequently at the close of 1917 the amount held had declined to $12,520,000. On the other hand municipal securities increased from $2,300,000 to $7,800,000. Lastly the companies carry in their tables $11,500,000 in cash as against $8,000,000 prior to the war. These figures are sufficient to indicate that the general direction of the Loan and Trust Corporations is in extremely conservative hands and that they entered the peace period enjoying to a remarkable extent the confidence of the public. The most striking evidence of this is the increase in the amount of the funds placed in their hands by the Canadian public.

Cost of Funds

In obtaining funds the trust and loan companies have had to pay, since the war began, a rate of interest in keeping with market conditions. This only affects a portion of their funds, however. Companies reporting to the Ontario Government have debentures outstanding amounting to approximately $95,000,000, or somewhat less than one half their total assets on which the average rate of interest paid is subst[illegible] higher. Other funds [illegible] slightly more. The rates [illegible] money reloaned are also, on the whole, higher, making the margin of profit under the usual careful administration about the same as in pre[illegible].

While [illegible] for farm mortgages in the West has not generally increased t[illegible] been obtained in Eastern C[illegible] somewhat better rate. Av[illegible] interest earnings, therefore, should be slightly better than heretofore and be in extent sufficient to cover the higher cost of funds to the companies.

Prospects Bright for the Future

In the ordinary field of loan and trust corporations — that of lending money on the security of land—there does not appear on the horizon any prospect of limitation in the sphere of their activity. Even though the character of their business should change or if it should become necessary for the successful handling of their funds that it should be changed, there will be ample scope for the profitable employment of funds which come into their hands. Investment in Government and municipal securities, the supply of which, just as soon as reconstruction is practically under way, will be unlimited, may be one of the fields to which greater attention may be given than hitherto.

The position of the companies as viewed from the standpoint of the investor abroad is still unshaken. It was quite evident that when the British Government paid for war loans it required a rate as high as it was practical for Canadian institutions to pay that there would be some decline in the holdings of debentures in the United Kingdom. Investors there, when they could obtain as high a rate from their own Government as they had obtained in Canadian debentures, naturally and commendably, yielded to appeals to patriotism. Even under so powerful an influence the extent to which sterling debentures outstanding have declined has not been in any way embarrassing to the companies. As to investors in Europe it must have been to them a source of comfort that their interests in Canada entrusted to loan and trust corporations were so well taken care of and were not impaired by circumstances arising out of the war.

Only One Failure

During the entire war period there has been but one organization which was not successful, and that was due to mismanagement and to other causes yet to be fully determined and which are still before the courts. It is well known, however, that the policy adopted in connection with the management of that now defunct company was contrary to that generally in practice in Canada. The returns it was required to make annually to the Government were sufficient in themselves to indicate that disaster would come. Quite properly the companies which enjoy very high standing in Canada, as well as abroad, are encouraging the Government to take steps to prevent the recurrence of such trouble and it has to be said to their credit that they are willing to assume the inconvenience of any form of Government supervision that will be effective in eradicating mismanagement and the issuing of false returns. Of course, it is impossible by any form of Government return or Government inspection to eradicate dishonesty. It is, however, within the power of the Government to punish those guilty of dealing fraudulently. If greater energy were displayed in this respect there would be less trouble, and in Canada there has been a minimum, in connection with the affairs of financial institutions. In addition to the Dominion Permanent there still is fresh in the minds of the public the failures of the Sovereign and Farmers Banks; the York County Loan and the Union Life. In connection with these one or two guilty parties were punished by imprisonment. These are the chief failures of recent times and they are but few in proportion to the very large number of financial institutions engaged in business in a safe and sound way without which the country would not have advanced, and could not continue to progress.

MILLIONS FOR PENSIONS

The Estimates Run From $345,000,000 to $440,000,000

OTTAWA.—The Minister of Finance has furnished Sir Robert Borden with an estimate of the total amount of Canada's pension obligations. The Pension Commissioners are of opinion that the maximum of pensions will not be reached for eighteen months or two years. They will probably remain at this maximum for five years, and be gradually reduced until their termination.

An actuarial calculation estimates a total cost of $440,000,000, calculated on a 3 per cent. basis, or $390,000,000 calculated on a 4 per cent. basis, or $345,000,000 on a 5 per cent. basis. These sums represent the amounts of money as of to day, which, [illegible] the rates of interest mentioned, [illegible] meet Canada's pension obligations arising out of the war.

IMPERIAL OIL'S PLAN BASED ON DOLLARS & CENTS

No Philanthropy in New Relations With Employees

ACTUARIALLY SOUND

Pensions, Sick Benefits and Insurance Weighed Against the Vested Interest of the Employee

Because it is regarded, in the stern language of dollars and cents, as good business, the Imperial Oil Company has adopted a program of co-ordinating the interests of the concern and its employees which goes much further in its benefits to labor than anything which has heretofore been attempted in this country; it involves the principles which have already been worked out by the Standard Oil Company in the United States. Joint committees of employees and executives for administration, automatic life insurance, old age pensions, sick benefits and athletic and social clubs are some of the features being inaugurated, not with any ulterior motive in relation to wage standards or in any spirit of paternalism but because the company has from careful investigations satisfied itself that to reiterate, it is good business.

In view of the unsettled conditions prevailing in the world labor markets, and the prospect that workers' demands may be difficult to meet if production is to be kept on a sound economic basis, Canadian employers generally will watch with interest the results of the working out of the Imperial Oil ideas which have been elaborated to THE FINANCIAL POST by Rev. Dr. Strachan, assistant to President Hon. W. J. Hanna, who has been working on the program recently announced at Sarnia for some fifteen months. Dr. Strachan emphasizes that the company regards the proposition as a business one purely and simply, based upon statistics and actuarial conclusions.

The Replacement of Labor

The principal idea upon which the new relationship is based is [illegible] recognition to what may be termed the vested right of the employee in an institution which he has served for a period of years and involves the problem to which students of sociology are giving much attention—to what is labor entitled in addition to wages? It is, of course, anticipated that this recognition of the vested interest of labor will result in a continuity of relationship in which the employee will benefit from the value of his experience and the company will gain advantages from that same experience. The cost of replacing an employee and the loss entailed in training him to a state of efficiency has been carefully considered in this connection.

No Strings on the Men

The company has endeavored to make it plain to the employees that there is no desire to tie strings to them. Take the insurance scheme, for example. All employees are automatically insured, no matter what the state of their health and there is no fee whatever. Nor is it necessary for the employee to remain with the institution to continue the policy. If leaving he may take it with him, but in that event will, of course, have to continue payment of the premiums himself.

With the sick benefit plan there are additional advantages as compared with the Workmen's Compensation Act. The employee is protected not only while at work but for 24 hours per day, 365 days of the year. Further, the company is prepared to look after the dependents of any employee fatally hurt until insurance payments are adjusted and this insurance will be above and in addition to anything which may be paid under the Workmen's Compensation Act.

In the pension scheme all employees are automatically enrolled. At the age of sixty-five there will be available for each employee in monthly instalments a sum representing annually 2 per cent. per year on a ten-year wage average; in other words, an employee of 20 years' standing would receive 40 per cent. of the average wage of the last ten years of service. This will be paid to the employee for the rest of his life and he will be at liberty to leave the company and seek other service—so long as he does not join a competitive institution.

In regard to these funds the finances are maintained on a sound basis, the funds being set aside from year to year so that there is a guarantee provided no matter what might be the developments in relation to the company's business in the future.

Human Efficiency

In addition to the benefits which the company foresees in the saving in training new men by encouraging the [illegible] of employees, the higher standard of efficiency possible for health [illegible] is taken into consideration. [illegible] company will have medical [illegible] look after all employees. [illegible] when a new employee is [illegible] he will be subjected to [illegible] examination. This is not with [illegible] desire of taking on only men [illegible] certain standard but to judge [illegible] ical ability of the individual [illegible] take the work required of [illegible] is the idea to fit a man to [illegible] work he is best able to perform [illegible] of course, applicants not physically fit for the position which they are seeking will be advised to this effect.

Not only health of body but health of mind is aimed at and in this connection community social centres are to be established in connection with each of the company's plants. A suitable building will be erected for the use of the employee, his wife and family and there will also be grounds for outdoor recreation.

The Housing Problem

The housing problem is another which has been faced by the company. At the present time about a hundred homes—self-contained houses, up-to-date in every particular—are in course of construction and these will be rented at a nominal figure which will enable the company to carry the charges.

Administration Committee

Fundamentally in regard to the relations of capital and labor the arrangement made for administration by a joint committee of employees and executives is perhaps even more important than the innovations cited. At Sarnia where the new era has opened, the committee is composed of fifteen workers and fifteen foremen and higher officials of the company; these form a general body which is divided into four groups representing different departments. This committee will rule in matters of policy and will have the right to initiate plans concerning recreation, sanitation, education or other matters bearing upon the welfare of the employees. This committee will also have the right to deal with such questions as wages and hours of employment, etc.

According to Dr. Strachan the object is to give every employee the feeling that he has the same rights in the institution as the highest executive. Any worker can take a grievance to the committee of his department and his case can be appealed through the general committee right up to the president of the company if necessary.

The program as outlined has been put into effect in connection with the company's Sarnia plant and its inauguration at other branches will follow. Dr. Strachan is now in Vancouver in connection with the organization there.

NEW MANAGER OF IMPERIAL BANK

Edward Hay is Succeeded by His Assistant, William Moffat

With the resignation of Edward Hay as general manager of the Imperial Bank of Canada there drops out of active participation in the affairs of the financial and business community another of those personalities which has served to maintain the relations of the present and the past. Like so many of Canada's prominent bankers he was born in Scotland and came to Canada forty-six years ago, at the age of eighteen. He joined the Trust and Loan Company of Canada as junior clerk and two years later joined the staff of the Imperial bank as ledger keeper. He was made inspector a few years later, to be followed by promotion to the office of assistant general manager and elevation to the general managership in succession to the late D. R. Wilkie, in 1914. With Mr. Peleg Howland, the president of the institution, and the junior of the original staff, he represents the survivors of those who administered the bank's affairs at its inception. Mr. Hay now drops out as the result of ill-health.

William Moffat who takes up the duties of the general managership has been assistant to Mr. Hay. His promotion to the position is regarded as a natural development and one for which he has been preparing himself. The change therefore will be effected with only such changes as have been foreseen [illegible] such an eventuality. Mr. Moffat entered the service of the bank as a young man in 1881. He went to [illegible] as accountant and remained in Western Canada ten years, being [illegible] assistant manager of the Toronto branch on his return in succession to the late Mr. Wilkie when the latter [illegible] made assistant general manager.

CANADIAN CAR EARNED ENOUGH TO WIPE OUT ARREARS

Even Then There Would be 20 Per Cent. Left For Common

$2,000,000 AHEAD

With Profits of $3,252,000—Cleaning Up Russian Business $20,000,000 Orders on Hand

The final figures made public this week of the annual statement of the Canadian Car & Foundry Company bear out the forecast made a couple of weeks ago in THE FINANCIAL POST of over $3,250,000 in earnings for the year. The gross profits were $4,617,390, as compared with $2,572,883 one year ago, and after allowing for depreciation of $711,563 and interest charges of $653,218, the net profits amounted to $3,252,608, as compared with $1,413,008 in 1917, an increase of 123 per cent. This means earnings on the preferred stock of 43.3 per cent., during the year, without, however, allowing for war taxes which have not been determined, so that even after meeting the accrued dividends of 26½ per cent., on the preferred, amounting to $1,987,500, there would remain a balance of $1,002,608 to apply to the common, or an even 20 per cent. The showing leaves bright hopes that the directors will be able to wipe out a fair amount of the accrued dividends during the present year. One of the strong points about the statement is that the surplus carried forward amounts to $5,830,171. Another is in the great improvement in the working capital of the company. To some extent this is due to the gradual liquidation of the Russian account, and also to the payments that have been received from the Government on account of deliveries on the car contracts, and on the French mine sweepers as well. For a time the banking indebtedness of the company ran very high with the enormous quantities of raw material on hand for the cars and munitions work. But the amount owed the banks at the end of September, when the fiscal year came to a close, was only $2,275,000 compared with $2,940,950, which must be considered as satisfactory under manufacturing conditions that prevail. The net working capital, indeed, shows an improvement of $5,447,899 over last year, and exceeds $8,600,000.

While the company is now facing an absence of munition orders; and is rapidly coming to an end of its car orders, although others are in sight, the president, Senator Curry, reports that "the combined order books of our company and its subsidiaries on December 16, 1918, aggregate $20,[illegible],000. In addition to the shipments made since Oct. 1, and new business in sight, we are hopeful that output for the year 1919 will be as large as 1918, notwithstanding the elimination of all munition work." It was reported also that the aggregate output of the combined companies this past year was approximately $45,000,000, of which 75 per cent. was Car and Foundry business in regular lines and about 25 per cent. munition work.

It is satisfactory also to note that good progress has been made in liquidating the claims for the enormous contracts made over three years ago with the Russian Government. In the statement of assets there was an item of $4,002,966 for "Russian account" last year.

In this year's list this has been reduced to $1,013,595. On the other hand in the liabilities one year ago there was an item of a claim for $1,373,371, and this year a reduction to $690,043. The net assets on Russian account one year ago was set down as $2,629,595, while this year it is only $323,552, and it may be assumed that a large portion of this difference represents cash received by the company during the year. The president states that a large number of claims were re-adjusted during the year, and it is hoped that everything will have been completed in a few months. In the American Can Co., case the Car Company received a verdict for $713,000, with interest from Dec. 17, 1917. The U.S. directors are taking this to the Appellate Court to have the decision confirmed and the case will be argued shortly.

In dealing with the net profits for the year the president states that the sum of $1,196,163 was taken out of earnings for the purpose of writing down extraordinary expenditures made for the production of munitions and ships. With this allowance for safety the earnings as shown compare all the more favorably with those of the two previous years.

Profit and Loss Account

	1918	1917	
Profits	$4,617,390	$2,572,883	[illegible]
Deprec.	711,563	[illegible]	[illegible]
Interest	653,218	692,266	[illegible]
Bal. net profit	$3,252,608	$1,413,008	$ 353,255
Add prev. surp.	2,840,063	1,427,054	1,078,798
Total surplus	$6,092,671	$2,840,063	$1,427,054
Ded. pref. div.	262,500	....	....
Surplus	$5,830,171	$2,840,063	$1,427,054

In estimating the working capital of the company it was thought best to eliminate entirely the Russian account, both in respect to assets and liabilities, but to include investments which with the large proportion consisting of late in Victory bonds in many companies have reached a point where generally they may be regarded as a liquid asset. The total liquid assets for 1918 are $17,135,004, as compared with $10,991,369 last year, while the current liabilities have increased from $7,742,858 to $8,438,594, the balances comparing as $8,696,410 to $3,248,511. The shareholders will note that in spite of an increase in the inventories of over $4,000,000, the bank indebtedness is actually less than one year ago. The figures for the two years compare as follows:

Working Capital

Liquid Assets—	1918	1917
Inventories	$12,016,772	$ 7,760,663
Investment	165,479	102,501
Acc. rec.	4,463,637	2,829,364
Cash	489,116	298,841
	$17,135,004	$10,991,369
Current Liabilities—		
Bank loan	$ 2,275,000	$ 2,940,950
Acc. pay.	6,012,071	4,663,127
Accr. int.	151,523	138,781
	$ 8,438,594	$ 7,742,858
Bal. work. cap.	8,696,410	3,248,511
Gain, 1918, over 1917	....	5,447,899

One point of interest and importance still remains, the relation of the company to war orders in process of settlement. The president states that the steel foundries have been operating fifteen open-hearth furnaces, over 70 per cent. of the output being shell steel for Imperial Munitions Board and the U.S. Government. The car shops at Montreal and Amherst have been forging 75 mm. shells for the U.S., and 18-pounders for the Imperial Munitions Board. All this work ceased entirely by the end of November. Large sums are due the company for forgings, blanks and machined shells; also for equipment provided for contracts that have been cancelled, and these matters are now under adjustment.

The twelve steel mine sweepers for the French Government were completed in record time and delivered. "Owing to the enormous increase in the cost of labor," it is stated, "and the urgent necessity of getting these boats out before the close of navigation, the profits were disappointing. However the contract was completed under Lloyd's inspection and to the entire satisfaction of the French Government."

MAY BE EXCESS OCEAN TONNAGE

A Prediction That Blockaded Shipping Will Meet Demands When Released

CHICAGO.—The grain trade has no greater imaginary source of concern than shortage of ocean shipping, which is generally expected to continue through most of 1919. Some of the best authorities on the subject take a directly contrary view, predicting abundant available tonnage within six months, if not an actual excess over probable world requirements under the conditions likely to exist.

One of the latter is R. C. Martens, head of the Martens shipping and trading organization, which has offices all over the world. He says:

"A large proportion of the tramp steamer capacity before the war was engaged in carrying materials and manufactured goods between European countries. The quantities of food, fat, and fodder imported by European countries from Australia, America (including Canada), and Argentina, were considerably less than the quantities transported by steamers between the European countries themselves. Not much of this traffic is in sight; certainly little from Russia, Germany, and Austria.

"During the war the pressure for tonnage was eastbound, with much empty space westbound. Demobilization, following the cessation of war activities in Europe, turns the balance of traffic westbound, and with the progress of demobilization the pressure will be gradually lifted.

"There is a great deal of shipping to be released from blockaded ports of the Central Empires and Russia. Rumania and Hungary, like Russia, have food shortages, instead of exportable surpluses as before the war.

"Europe cannot recover industrially all at once, and as the volume of production will be small, purchasing [illegible] for consumption will [illegible] largely to primal [illegible] shipbuilding [illegible] ever increa[illegible] higher sp[illegible] ume ava[illegible] in 1911, [illegible] city [illegible] buine[illegible] Euro[illegible] fro[illegible] te[illegible]

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although seeing the benefits to be derived from a Trust Company's administration, hesitates about cancelling any appointment he may have already made, the Montreal Trust Company can be named to act with the Executor or Executors already appointed. In this way the Trust Company co-operates with the Testator's appointees in the administration of the Estate.

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...RITIES—Minimum Prices Are Abolished at Toronto

[illegible] figures on the Toronto Exchange [illegible] development in the market this week. The [illegible] as a surprise to Montreal but there will be little objec[illegible] that market to following the lead. At Toronto there were not many interesting changes. Only about half a dozen of the stocks were resting on the artificial level, and when this was removed most of these remained suspended where they were. Smelters and Toronto Rails were exceptions, both of these indicating a break of several points.

General conditions in the market remained in that generally unsettled state which has prevailed for some time. Investment stocks are regarded as being on an attractive basis but the industrial future both at home and abroad is clouded to such an extent that it is impossible to gauge the various tendencies which have an influence upon capital, materials, labor and other costs. Bank stocks have continued to attract investors, and not only have advances been maintained, but some additional gains have been scored. The bond market continues strong with a shortage of supply in relation to demand. Mining stocks are generally quiet but firm.

Hayden, Stone & Co., New York—Stock-marketwise, it is a question of how rapidly this period of adjustment will be completed. If it were to require the better part of a year, there would be no particular object in taking an interest in the market, either from a speculative or investment standpoint, but we believe that this period will be much more rapidly completed than generally expected. It is the American custom to do things drastically if need be, but to get through with them. It is with the belief that, within a very few months, we shall have passed through this period without serious consequences and that ahead of us lies an era of activity, not at fancy war profits, but with a margin of profit that will more than justify present prices, that induces us to take a positive attitude toward the market.

STEEL

Steel Group Starts Year Under Circumstances Quite Different to 1918

By A. R. KENNEDY,
Editor "Canadian Machinery."

The steel group starts the year 1919 under circumstances quite different from those which marked the coming in of 1918. A year ago it was simply a case of production and still more production. Sales forces employed their energies in explaining and apologizing for non-delivery of material. That was the position occupied by all the industrial forces engaged in war work. The Governments of the allied powers could take all the production of which the companies were capable, and capacity production meant that the books of the concerns were always three or four months behind schedule deliveries. Whether the steel group, in all this rush, has had the ability and the foresight to keep production costs down to figures that will stand in the days of competition remains to be seen, and the days through which we are passing will soon show to what extent this has or has not been done.

There are some enquiries for steel plate, tubes, marine forgings, etc., at present on account of contracts being secured for the building and fitting of a number of small French ships. The plate is now estimated on the Pittsburgh price of 3c per pound, which means $74.10 in Toronto. Freight is 15c per hundred on ¼ in. and wider than 30 in., which takes in over 90 per cent. of the plate crossing the border. There is a war tax of 22½c, and 27c freight. New York exchange at present adds 6c to the cost, bringing $3 per hundred plate in U. S. to $3.70½ Toronto, or $74.10 per ton.

It is interesting to note, from the point of view of the man who has bought stock in the steel group in Canada, that the price of the shares is higher now than when he purchased at the beginning of the year, using that period for the purpose of comparison. In only one case of the stocks listed on the Toronto market can it be said that the price to-day is lower than that at the start of the year, and in this one case only by a couple of points. As a matter of fact the preferred stock of this concern is higher than at the start of the year. Neither does there seem to be any tendency for prices to lower by reason of the passing of war work. It might have been expected that there were some speculators who looked upon steel in Canada as simply a war stock, and who would be rather urgent now in placing their stock on the market for disposal. If much of this were done the price would soon show it. Holders of steel securities [illegible] apparently going to take their chance on the steel industry making good in peace times in Canada.

There is a variety of opinion re[illegible] the trend of prices for the [illegible] months. It seems to be ac[illegible] 3c will continue to be base [illegible] July. At that time it [illegible] probably to $2.50, but [illegible] limit against [illegible] It does not [illegible] figure will [illegible] condition. [illegible]

Rus. Motor, pref..	*75	*75	...
Do., com.	*84	*84	...

*No sales this week.

DOMINION STEEL CORPORATION

Considering the volume of business, and the rumors that for some months connected the name of this concern with another eastern company in a merger, Iron has kept remarkably even on the year's trading. Opening 1918 at 56, the closing point was 62½. The number of shares sold toward the end of the year were comparatively small when compared to the trading that took place at other periods in the year. The lowest point was a small sale at 53 early in January. From there the trend has gone as high as 65 on two occasions. The closing point is higher than the year's average.

NOVA SCOTIA STEEL AND COAL

No sales of Scotia common were recorded during the month of December. Last sales that give an insight of price were made late in December at 66. Scotia common started the year at 70, and the highest point made during the year was 71½. There have been no violent price fluctuations during the year. Scotia common does not show a margin of over 8 points between the year's high and low. The tremendous natural assets behind this company hold it steady. Preferred closed the year two points better than the start. This stock is very closely held and transactions are not frequent.

STEEL OF CANADA

Steel common started the year at 52½ and last sales were made at 63½, a gain of 11 points. It has been a big year for the Hamilton plant, and war material, as well as ordinary lines, have been turned out in very large quantities. Steel Common has been traded in largely on the Toronto market, and reached as high as 74¼ on the 26th of August, the low point being 50 on the 15th of last January. Dealing in preferred has been in a more restricted compass. Starting the year at 85 it closed at 95. It looked for a time as though Steel preferred would touch par, in fact that expectation was mentioned in these columns. The price of 98 was realized on several occasions and it would have taken a small rally to gain the distance between that and 100.

CANADIAN CAR AND FOUNDRY CO.

The liquidation in some holdings of common stock of the Canadian Car & Foundry Company was continued this week and drove the stock down to over 13 points below the maximum of 33¼ which it reached in the summer. Last week it closed at 29, after dropping to 28½, but fell to 25 on Tuesday of this week, although it strengthened to 26 the same day. As the preferred has maintained itself fairly well it is felt the weakness of common is due chiefly to an unloading process. The company, of course, is in the position of a great many other companies that have had to shut down on munition orders, and gradually get back to a normal peace basis. The process is bound to result for a time in a decrease of the high earnings that were made and this has been and will be the case with "Car." Large orders for cars are looked for from the Government, and there is confidence among the directors that these orders will continue to provide the company with good business for the next five years, until the equipment of the railways in Canada, and abroad, come back to something like normal. The preferred was ex-dividend this week by 1¾%, and offered at 83½, as compared with a high last week, before the dividend was taken off, of 86¼.

The publication of details on Thursday of the financial position of the Canadian Car and Foundry Company made a rapid change in the sentiment in regard to the stock. The liquidation that had been going on in common, without any supporting factor, suddenly stopped and buying commenced. Sales of over 300 shares on Thursday morning drove the price up from the opening of 28 to 30½, or 5½ points above the low. The statement is reviewed elsewhere in this issue, and shows net profits that exceeded $3,250,000, and sufficient to wipe out the arrears of preferred dividends and make a payment of 20 per cent. on the common. There was no immediate move in the preferred as a result of the report, and th[illegible] were 83[illegible]

any return of the dividend from 8 per cent. as now to old 10 per cent.

TEXTILES

Only One Stock Made Any Demonstration This Week, But Its Strength Was Impressive

By H. H. BLACK

This week was much of a repetition of last so far as selling or buying of textile stocks was concerned. In only one case was any special interest manifest and this was one that held first place week before, the largest of all, and the one whose plans for the future are the most ambitious. A decided strengthening took place and the high established some months ago was reached again. From this it may be deduced that there is no fear on the part of the "insiders" for the future even with outside competition restored again in so far as it can affect domestic business for Canadian mills. The other stocks remained about where they have been for some weeks past.

The mills in this country would seem to be in a more advantageous position at the close of the war than those in the United States. Reports from there indicate that many of them with war orders cancelled are finding it a little difficult to get enough for their mills out of domestic orders. The uncertainty as to future prices that prevails there far more than in Canada is having the effect of making the trade hold off and cancellations of orders [illegible] on the books are becoming numerous. Efforts are being made to stimulate business by organizing for export business with Europe, but so far there has been no sign of increased shipping facilities. In Canada the tendency of the wholesale houses, who divided with the manufacturers of garments the chief source of orders for the cotton mills, has been to accept delivery of all the goods they had on order with the mills. Fortunately for the latter there has been such a scarcity in this country that the mills have been far behind in deliveries in many lines, and the wholesalers are too pleased to be certain of getting these goods, even although late, to think of cancelling the orders on the books of the mills, and losing their position in rotation. Thus the mills will have months of work ahead of them [illegible] time they are really short of orders there is every indication that readjustment will have advanced many degrees beyond where it is to-day.

	Last Dec. 26	Sales Jan. 2	Ch'ge
Can. Cot., com. ...	*68	69	+ 1
Do., pref.	76	*76	...
Dom. Tex., com. ..	97½	100½	+ 3
Do., pref.	*100	*100	...
Mon. Knit., pref...	76	76	...
Mont. Cot., com..	*59	*59	...
Do., pref.	*99¾	100	+ ¼
Penmans, com. ...	78½	*78½	...
Do., pref.	*85¼	85	— ¼

*No sales this week.

CANADIAN CONVERTERS

To those shareholders who have any misgivings as to future dividends being continued on the part of Canadian Converters, in view of the interruption that took place in the past, it would be well to recall a statement that was made at a meeting of the shareholders that once the dividends were started again they would be continued; and that they had not been started again without the directors feeling sure that there would be no need arise to cause their discontinuance. That is, there is a sufficient reserve to guarantee the payment, even although poor business came upon the company for a time. But the experience this past year, and especially the reception the company has received since the armistice, makes it reasonably clear that business will keep up; that the company has established such a firm hold on the trade that it will retain by far the most of the business it built up during a scarcity of imported lines during the war, and, in addition, the buying of materials for manufacturing was carried out with such foresight that the company is independent of the high peak of market prices, and its stocks are such that it can deliver goods at prices that are quite in keeping with the best that any manufacturer can offer during the present year. This means a continuance not only of business but of such profits as have been made in the past year, and even increased ones. There was little done in the stock this week, a few sales at 46, the ruling price for a few weeks past.

CANADIAN COTTONS

This stock was very quiet this week, almost as quiet as business will be for a few weeks with Canadian Cottons. It will be a couple of months before fall [illegible]ken, and the mills are busy [illegible] on hand. All the [illegible]ment for the [illegible]9, will sur[illegible]nly sale of [illegible]ken lot at [illegible]us sales [illegible]

that will be built at St. Lambert, but everything indicates that a number of new and high grade lines will be turned out, and that more than ever the company is preparing to hold and extend its Canadian field. What will come of the preparations for export trade no one yet knows exactly, but much is hoped of this as a supplement to the domestic.

MONTREAL COTTONS

A few sales were made this week of Montreal Cottons preferred at 100, which indicates that this stock is holding well after its rally of a few months ago. The preferred has been more active of late than the common.

PENMANS

A few shares of the preferred were sold this week at 85, which is within ¼ point of the highest this stock has reached. Whatever effect the withholding of the bonus has had on the common stock, the preferred, not directly affected, shows no signs of weakening.

MILLING

Export Business Falling Off and the Future is Somewhat Uncertain

By J. L. RUTLEDGE,
Editor "Canadian Grocer."

There has been a falling off in export business of late, and it is not yet known how soon this business may be again available. It is entirely a matter of price, the Wheat Export Company buying in the cheapest market, which unquestionably at the moment is that of our neighbor across the line. The main reason for this is that in the United States the restrictions on the trading in wheat and wheat products have all been withdrawn; as a result there ha[illegible] readjustments of prices that have put the American trade in a very favorable position.

Under the present regulations existing in Canada the margin on mill feeds is limited to such an extent that instead of showing a profit they actually show a loss; this loss has to be made up on other products. With the restrictions removed, the prices of mill feeds would reach their natural level. As an example mill feeds in Boston are selling $17 more a ton than in Montreal, and the costs of delivery to these destinations are identically the same. The removal of the restrictions would in all probability result in an increase in the price of feeds but would permit a reduction of 50c a barrel on flour that would put the Canadian millers on a parity with the American market.

There seems at the present time no good and sufficient reason for the retention of these regulations that are resulting in a serious discrimination against the Canadian milling trade. There has been no decision yet as to the substitute flours. There are many rumors in circulation regarding the Government having settled upon certain cities as receiving centres for supplies of substitutes to be shipped in, but nothing more definite than a rumor is to be located

	Last Dec. 26	Sales Jan. 2	Ch'ge
Can. Bread, com. .	23	23¾	+ ¾
L. of Woods, com..	*151	165¾	+14¾
Do., pref.	*103	*103	...
Maple Leaf, com...	135¾	136½	+ ¾
Do., pref.	98	98¼	+ ¼
Ogilvie Flour, com.	210	220	+10
St. Law. Flour, com	93	96	+ 3

*No sales this week.

ST. LAWRENCE FLOUR

Once again the time has come when there is a directors' meeting of St. Lawrence Flour Mills Co. in the offing, and the old question crops up as to whether there will be a declaration this time of a straight 2½ per cent. on the stock, or whether it will remain as before, 1½ and a bonus of 1 per cent. Those who are in favor of the former argue that a ten per cent. basis would strengthen the stock and result in a move such as has occurred in the case of Ogilvie, Lake of the Woods and Maple Leaf. The argument that was advanced before by the president, Thomas Williamson, in opposing the proposal, which found acceptance on the part of some of the directorate, was that it would be easier to continue to pay ten per cent., with four of this in the form of bonuses, than to establish the stock on a ten per cent. basis, from which it would be rather embarrassing to move it if the earnings dropped. Whether he has changed his mind on this point is not known apparently, as he appears to be keeping his own counsel in the matter. Rumors were spread of an amalgamation with the Lake of the Woods Milling Company, and also of an extra bonus like some of the other companies, so that the Street had its choice. The dividend meeting has been called for next Monday. The stock this week strengthened a little and sold up to 96¼, although on Thursday it was a little off and offered under 96 at the close.

Sales in the St. Lawrence Flour Mills Company were also fairly pronounced for the week, upwards of 1,200 shares changing hands. There was a noticeable improvement, too, in the feeling toward the stock, the prices ranging from 94⅞ in the early trading to 96 at the close.

WESTERN CANADA

There is the usual holiday inertia evident in the business of the Western Canada Flour Mills Company. Export demand is limited, and there has been a decline in local buying during the Christmas season; this has occasioned a few dull weeks, but the business of the company to date has been of a very satisfactory nature.

MAPLE LEAF

[illegible] Maple Leaf Milling Company con[illegible] somewhat spectacular bonus donations by a further bonus of 1 per cent. on the common stock, in addition to the regular dividend of 2½ on the common and 1¾ on the preferred. This bonus in addition to the 10 per cent. bonus in Victory Bonds, was somewhat unexpected, and gave further indication of the strong position of the company. The strong feeling engendered by this evidence of prosperity sent the stock upward again till it reached 137⅜ under heavy selling. There were 4,340 shares of the common changed hands at prices ranging from 134 in the early trading to 137⅜. Sales in the preferred were made at 98.

OGILVIE FLOUR

Even with its record secure for the stock that had made the greatest advance of the year Ogilvie Flour Mills Company was not content but started off in the new year with a further rise, and went up to 220 for a board lot on Thursday morning, although later in the afternoon the stock was offered down to 215. This point is 75 points above the low of the year. Apart altogether from the influence of large earnings and the 15 per cent. bonuses that have been the portion of the shareholders the past two years, it is understood that behind the strong position of the stock rests a proposal to double the capital stock by a distribution of an equal number of shares to those who possess them now, that is two for one, making the total capitalization $5,000,000 instead of $2,500,000 as it is now. With its reserve of $2,500,000 it is felt that the company is really employing $5,000,000 in its operations, and that the stock should be increased to a point commensurate with the heavy increases in business that the company has been doing, not only in domestic and export flour trade, but also in the elevator and other subsidiary lines.

LAKE OF THE WOODS

Th[illegible] of the Woods Milling [illegible] stock has shown little activity during the year when other milling issues were moving spectacularly, came in for a good deal of attention during the week, then under fairly heavy selling the stock rose 18 points from the previous closing figure, selling on Monday at 169, the record figure for the year. The range for the week was 154 to 169.

PULP AND PAPER

Market for These Stocks Continues Strong With Fairly Good Volume of Trading

By W. A. CRAICK

Activity in the pulp and paper issues seem to come in cycles and at present, following the experience of previous movements, these stocks are approaching the close of another period of brisk trading. During the week just closing, business has not been on quite the same scale as in the earlier weeks of December, but it is still considerable. Wayagamack has been dealt in to a extent that has not been touched for years. All the other active issues have seen some movement, though on a reduced scale.

Statistics covering the exports of Canadian pulp and paper products and unmanufactured pulpwood for the month of October are published in a special bulletin by the Canadian Pulp and Paper Association. They show a total value of $7,280,31[illegible], as compared with $6,096,399 in October, 1917, a gain of $1,183,916. The notable feature of the month's trade is declared to be the increase in exports of ground wood. In October, 1918, 325,521 cwt. were exported, as compared with 247,508 cwt. in October, 1917. For the first seven months of the fiscal year, exports of all pulp and paper products, etc., amounted to $57,245,135, a gain of $1[illegible],873,782 over the corresponding period of 1917 and of $28,864,533 over 1[illegible]

	Bid	Asked	Sale
Laurentide	196	197	197
Riordon	..	..	117¼
Spanish, com.	18	19	17⅜
Wayagamack		50¾	54¾
Brompton	60	..	60
N. A. Pulp	..	..	2⅝
Price Bros.	..	..	147½
Toronto Paper	65	69	69
Smith, H., com.	..	..	65½
Provincial, com. ...	..	..	49
Do., pref.		..	83
Abitibi	48	51	49

WAYAGAMACK

There was a sudden r[illegible] of Wayagamack Pulp & Paper Company's securities at the week end when the stock rose in a single day to 55, from selling at the minimum of 50 for some time. Then it declined apparently on profit-taking to 53, but rose again on renewed buying to 54½ and continued fairly strong around that figure. Those who were supporting the stock strongly talked of a six per cent. dividend early in the new year. The company's fiscal year ended on Nov. 30, and it is known that its earnings will show a good advance over those of the past year. On that occasion the earnings were $966,349 as compared with $979,362, but bad shipping facilities interfered seriously with the operations of the company's mills one year ago, and conditions are much improved this year so far. The company manufactures large quantities of kraft paper and the war created a keen demand for this in the United States. In addition there was a good market for pulp, and the saw mills are being operated at satisfactory profits as well. The company, before issuing its annual statement last year, cut down the surplus that had accrued in order to place the finances on a more conservative basis. The working capital in the year increased from $939,563 to $1,701,551. This coming year the company is looking forward to a good export business as soon as shipping improves.

PRICE BROS.

According to the Kenogami *Tickler*, a fifth paper machine for the mill at this point is about to be ordered. It will probably be of similar make and type to those already installed. But one paper mill in Canada has more than four machines. Price Bros. have four 156-in. machines with a capacity of 220 tons, and the Abitibi Pulp and Paper Company have four machines of various widths, making 22[illegible] tons of news. The Spanish River mills at the Soo have four machines, making 220 tons. J. R. Booth has three Fourdriniers and a board machine, while E. B. Eddy Co. hold the record in number of machines in operation with one Harper and three regular Fourdriniers and two cylinder machines with a capacity of 200 tons.

One of the strongest stocks on the Exchange this past year has been Price Bros., and from 120, the low, an advance was made to 151. This rise took place with very little of the stock coming out. Large and constantly increasing earnings, a very strong cash position, splendid limits and future prospects of large earnings continuing, and even increasing have been the elements in the strength of the stock.

INTERNATIONAL COAL & COKE

In order to avoid double taxation, International Coal and Coke, of which A. C. Flummerfelt, of Vancouver, is president, incorporated in the State of Washington, proposes to re-incorporate in Canada. Shareholders are being offered an even exchange in new $3,000,000 company of $1 par value shares. Those desiring cash are offered 25 cents.

RIORDON PULP & PAPER

A special general meeting of the shareholders of the Riordon Pulp & Paper Company will be held on January 31 to approve an issue of $4,000,000 of bonds by the company representing its interest in the Kipawa Fibre Company, which was organized to develop a new high grade pulp proposition in addition to the two mills already operated by the company. At a special meeting of the shareholders last September authority was given to issue $3,000,000 of bonds for a similar purpose, but the approach of the Victory Loan campaign prevented any action being taken at the time. The directors feel that the present is an opportune time for the flotation of the issue, and also that the interest of the company should be increased to the extent of an extra million dollars. It is believed that a public invitation to subscribe to these bonds will be issued in February. The demand for the company's pulp remains very strong, and there is every indication that the excellent returns the company showed last year will be more than equalled this year. The stock remains around 117¼, the minimum, and there has been little activity for some weeks.

SPANISH RIVER

The two Spanish River issues have been in some request during the week. The common, dealt in to the extent of 379 shares, held fairly well between 17½ and 18, closing at 17⅜. The preferred has sold between 64 and 64¾.

LAURENTIDE

A new high on the present movement was touched by Laurentide on Friday of last week when the stock advanced from 192 to 198. The latter figure has been fairly well maintained, subsequent transactions having occurred at 196¾ and 197.

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To
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MINING STOCKS

Market Continues Firm, With Only Moderate Activity, But Favorable Outlook

There has been no marked increase in trading on the Standard Mining Exchange this week. Buying has been limited in volume and, on the other hand, selling has been light. Between the two the market is firm and in good shape for a rise when the time comes. Conditions in the mining districts are still considerably unsettled on account of the prevalence of the flu, but improvement is expected soon. With labor back to normal capacity and with the return of the soldiers to civilian life, the productivity of the mines should steadily increase.

Ore shipments last week from the Cobalt camp amounted to 696,425 pounds, contained in 8 cars, shipped by four mines. These were as follows:

	Cars	Pounds
Coniagas	4	354,425
Nipissing	1	103,100
Buffalo	2	154,000
Dominion Reduction	1	84,900
Total	8	696,425

According to figures compiled by Hamilton B. Wills, the Toronto mining broker, total shipments of ore by the various silver mines for the year amounted to 35,458,937 pounds, contained in 459 cars. The heaviest monthly shipments of the year were recorded in November, when 4,524,668 pounds, or over 2,762 tons, were sent to the [illegible] smelters, while February showed [illegible] mall[illegible] to wit, 2,2[illegible] 1,125 tons. Nine companies are represented on the yearly bullion shipping list, which shows a grand total of 8,555,075.77 ounces, of an estimated value of $8,562,752.23. Nipissing leads them all for the year with 4,344,957.21 ounces, while Mining Corporation of Canada is next in line with 2,773,121.27 ounces, followed by Kerr Lake, Dominion Reduction, O'Brien, Timiskaming, Crown Reserve and Silver Eagle of South Lorrain.

Estimates of the mineral production of Canada for the year 1918 have been issued by the Department of Mines, Ottawa. The production of coal is estimated at about 15,180,000 short tons, as compared with a production of 14,046,759 short tons during 1917. The production of the more important metals during 1918 is estimated as follows, viz.: Gold, $14,750,000 in value; silver, 20,800,000 ounces; copper, 117,000,000 pounds; nickel, 91,500,000 pounds; zinc, 36,000,000 pounds; pig iron, 1,182,000 short tons; steel ingots and castings, 1,010,000 short tons. The production of these metals in 1917 was: Gold, $15,272,992 in value; silver, 22,221,276 ounces; copper, 109,227,332 pounds; nickel, 82,330,280 pounds; zinc, 29,568,764 pounds; lead, 32,576,281 pounds; pig iron, 1,170,480 short tons; steel ingots and castings, 1,745,734 short tons. The total value of the mineral production in Canada during 1918 was probably not less than $220,000,000. The total value of the production in 1917 was $189,646,821.

	Last Dec. 26	Sales Jan. 2	Ch'ge
Adanac	.10½	.73¾	—.02¾
Beaver	.40	.41½	+.01½
Dome	12.40	12.00	—.40
Dome Ext.	.25½	.24½	—.01
Hollinger	6.25	6.25	...
McIntyre	1.73	1.77	+.04
Mining Corp.	2.45	2.40	—.05
Newray	.13½	.14	+.00½
Nipissing	9.00	8.20	—.80
Temiskaming	.31¼	.32	+.00¾
Vipond	.23½	.23½	...
West Dome	.14¾	.16	+.01¼

HOLLINGER

A despatch this week from Porcupine indicates that development work and production at Hollinger Consolidated are being speeded up as rapidly as possible. It is expected that early in the year additional forces of men will be engaged, which will enable the company to put a lot of its idle machinery into operation again. At present upwards of forty machines are engaged in development work and approximately one mile of underground work is being done per month. Every level from the surface down to the 1,250-foot level is being opened up. It is also stated that during the past year the Miller-Middleton portion of the property has furnished many pleasant surprises to the management as its development proceeds and it is possible, owing to the size of the ore body, that the "glory hole" system of mining may be resorted to.

DOME MINES

Men are being taken on daily at the Dome Mines, and there are other indications that give color to the suggestions made in stock brokers' letters regarding the opening up of the Big Dome at full blast in the early spring. There is, however, no official announcement as yet of the reopening generally of the property, though all are agreed it is only a matter of time till all the mines of the Porcupine are going full speed ahead.

CONSOLIDATED SMELTERS

Attention is directed elsewhere to the annual report of the Consolidated Mining and Smelti[illegible] which has just been issued.

Up to about the middle of September, the Trail smelter had received 289,549 tons of ore. The largest shipper to the smelter was the War Eagle-Centre Star-Le Roi group at Rossland, with 88,934 tons, the values being mainly in gold. The Sullivan Mine, owned by the Smelting Company, shipped almost as much, the production being 88,836 tons, of which 32,742 tons supplied the zinc plant of the Trail smelter, while only 6,094 tons of lead ore were shipped, the custom ore shipped to the smelter being sufficient to supply the company's requirements of silver-lead ore, and the small tonnage of lead ore mined was due to the company's desire to give its customers the preference. The third largest shipper was the Emma mine at Eholt, owned by the Consolidated Mining and Smelting Company. Then came the Josie Mine at Rossland, with 17,114 tons. No. 1 mine at Ainsworth was, outside the Sullivan, the largest shipper of silver lead ore, with 5,782 tons, followed by the Standard Silver Lead Mining Company at Silverton, with 5,657 tons, and the Bluebell at Ainsworth, with 5,319 tons. An old mine that has returned to the shipping list is the North Star at Kimberley, this being an important shipper of silver-lead ore from East Kootenay about twenty years ago. Considerable shipments were received from outside points. For instance the Mandy mine of Manitoba shipped 5,711 tons of high-grade copper ore. The Electric Point in Washington sent to Trail 4,563 tons of silver-lead ore. The San Poil at Republic sent in 2,615 tons of siliceous gold ore and the United Copper at Chewelah, shipped 2,841 tons.

Taking the shipments by districts, Rossland was the largest shipper, with 107,457 tons; East Kootenay sent out 93,563 tons; Slocan and Ainsworth 29,303; Boundary, 19,787 tons; Nelson, 4,246 tons and American mines 12,962 tons.

GRANBY CONSOLIDATED

In their last market letter, Hayden, Stone & Co. of Boston present some interesting comments on the position of the Granby Company. "Granby," they state, "has the distinction of enjoying the greatest stability of perhaps any copper stock currently quoted on the Exchange. Throughout the entire year the stock has varied in price only 12 points and to-day, it is selling within 5 points of the highest price of the year—something that can be said of no other copper stock. The explanation of this is probably to be found chiefly in the fact that, as a Canadian concern, the Granby will not be called upon to bear the excessive rate of taxation of American stocks—the attitude of the Canadian authorities being much more lenient in this respect toward mining companies.

"While the Granby last year barely earned the $10 that was paid in dividends it is to be noted that there was a large increase in the charge for depreciation and depletion—this item rising from $1,256,000 to $1,976,000, an increase of $720,000. This increase alone is equivalent to nearly $5 per share on the stock.

"By a curious coincidence the output of the company for the first 11 months of this year has been almost identical with that of last year, approximately, 35,850,000 pounds.

Since the close of the fiscal year on June 30, the production has been about 13,500,000 pounds. Of this, however, the 2,500,000 pounds that came from the Phoenix property cannot be regarded as revenue producing, as the cost last year of copper from this property was over 26 cents per pound. In the fiscal year ended June 30, 1918, the company—selling its copper at 23.7 cents per pound, made a profit on its "Hidden Creek" copper of about 5½ cents per pound. If the company were making the same margin of profit now it would indicate an income just about equal to the $10 dividends that the company is maintaining.

"The financial strength of the proposition, however, is indicated by the fact, that in order to safeguard its supply of coke, the company has acquired large coal measures and is constructing coke ovens at Anyox, an expenditure involving about $3,000,000, of which, at the close of the year, over half had been paid, and for which it was not deemed necessary to undertake any special financing. It is also interesting to note, that as against an ore reserve five years ago of about 9,000,000 tons, the Granby at the close of last year was estimated to have a total ore reserve of 23,500,000 tons. Of this to be sure, only something over 13,000,000 tons is sufficiently high in grade to be regarded as direct smelting commercial ore, but the presumption is that methods will be found to render the balance of some 10,000,000 tons commercially available."

PUBLIC UTILITIES

Removal of the Minimum Barrier Did Not Have Any Material Effect on Situation

Apart from a break in Toronto rails the removal of the minimum price barrier in Toronto did not have that effect upon the situation which might have been expected. Some of the other stocks remained suspended at the "artificial" level and others failed to record quotations to indicate the effect of a resumption of open trading. There should now be an opportunity, however, of adjusting prices to the basis of their actual value and the market should be the better for this in the long run.

As pointed out by the Investment Bankers' Association of America, the problems of the street railways and the interurban railways were not alone created by the war, but were rather aggravated by it; nor is there any evidence of immediate relief under peace conditions. It is pointed out that the period of developments of the electric transportation systems in America was from twelve to twenty years ago when wages and fuel were 50 per cent to 60 per cent. of the present prices and when replacements for additions to property only required about 15 per cent of their present cost. Of course the war has caused much of this increase in cost, but for many years before the war there has been an upward tendency in the operating burdens. Constant pressure for extensions to the city systems had resulted in longer hauls for the same fare, wages and prices had gradually increased, taxes had been rising steadily and a gradually increasing rate of return had been necessary to attract new capital. Moreover, when every advantage of increasing gross business was needed to keep the business on a healthy basis the automobile appeared as a serious competitor. With other conditions favorable, the electric railways could gradually have absorbed the loss of business through automobiles without serious effect, but in many cases the spirit of "off with the old and on with the new" resulted in most lenient regulation of the jitney regardless of its effect on the street railway, which was the agency for city transportation that had been encouraged to plant itself irrevocably for the purpose of serving the community, and had been subjected to numerous restrictions and burdens on the theory that with a monopoly of transportation it consequently was assured of prosperity by the community.

PORTO RICO

The November earnings statement of the Porto Rico Railways shows gross earnings amounting to $82,389, an increase of $6,413 over the figures for the same month in 1917, while net earnings amounting to $35,250 show a gain of $3,658, or 11.5 per cent. For the eleven months ending with November gross earnings at $944,603 show a gain of $127,172 or 15.5 per cent. and net at $397,783 shows a gain of $33,804 or 9.3 per cent. Comparative figures follow:

	1917.	1918.	Inc.	%
November—				
Gross	$75,976	$82,389	$6,413	8.4
Net	31,591	35,250	3,658	11.5
Eleven Months—				
Gross	$820,430	$947,603	127,172	15.5
Net	363,978	397,783	33,804	9.3

DULUTH-SUPERIOR

Gross earnings of the Duluth-Superior Traction for the third week in December totalled $33,419 against $36,033 for the corresponding period in 1917, a decrease of $2,613 or 7.3 per cent. For the year to date the earnings total $1,606,539 as compared with $1,552,281, a gain of $54,257 or 3.5 per cent.

The removal of the minimum barrier in Toronto did not affect the market for Duluth-Superior. The quotations continued to show that the minimum of 41 was being asked while there were no bids recorded.

TWIN CITY

The Twin City Rapid Transit Company reports gross earnings for the month of November amounting to $748,352 against $807,839 for the corresponding month in 1917, a decline of $59,487. Operating expenses were lower by $9,687, the total for the month being $543,864 against $553,542 last year, while net earnings for the month at $204,487 showed a falling off of $49,809. For the eleven months ending with Noember the gross totalled $8,779,564, a decrease of $566,069 from the figures for the corresponding period in 1917. Net earnings amounting to $2,480,875 showed a decline of $614,284.

Twin City developed a decidedly weak streak during the week with sales in Canada down as low as 38¼—or about ten points off as compared with last week—while in New York the dip went down as far as 32. Late quotations indicate a strengthening with 42 asked and 40 bid.

WESTERN POWER

Western Power Co. of Canada reports for the month of October, 1918, operating revenues of $39,877, a decrease of 2.2 per cent., compared with October, 1917, and net earnings of $25,476, a decrease of 15.7 per cent., compared with October, 1917. There was included in operating expenses for depreciation reserve during October, 1918, the sum of $1,633.

For the twelve months ended October 31, 1918, the company shows operating revenues of $450,357, an increase of 1.2 per cent. over the same period in 1917, and net earnings of $303,101, a decrease of 4.9 per cent. over the same period of 1917.

MONTREAL POWER

No further developments are announced in connection with the plans of Montreal Light, Heat and Power Consolidated, but the stock is holding up fairly well. On Thursday, after running well over 88, it weakened a little to 87½. For a time the company will find a lessened output owing to the shutting down of munition plants in the Montreal district, but it is hoped soon to make up for this loss.

BELL TELEPHONE

The application of the Bell Telephone Company to the Railway Commission for an order to increase rates will, it is understood, be heard about the second week of January. There will be hearings in Ottawa, Toronto and Montreal. The case has been up in order to allow the municipalities to obtain certain statistics and information from the company.

NORTHERN OHIO

The November earnings statement of the Northern Ohio Traction and Light Company shows gross earnings for the month amounting to $7,092,669 as compared with $6,295,583 for the same month last year, a gain of $797,086 or 12.6 per cent. Operating expenses were higher by $786,934 or 20 per cent., the total for the month being $4,708,748, while gross income at $2,383,921 showed a gain of $10,151. Fixed charges totalled $1,163,547, an increase of $210,235 and net income amounting to $1,215,373 showed a falling off of $200,084 or 14.1 per cent.

ILLINOIS TRACTION

A most encouraging item of news came through for shareholders in Illinois Traction Company on the last day of the year, that the Inter-state Commerce Commission had allowed an increase of 2 to 3 cents a mile, or 50 per cent., on over 400 miles of the company's interurban lines, virtually placing it on the same footing as the railroads.

The report to hand for the month of November gives some idea of just what this increase will mean. Out of gross earnings of $1,343,654 for November, 1918, the earnings on the interurban lines were $424,070. If 50 per cent. were added to this it would mean an increase of $212,000 a month on this basis in earnings, or $2,500,000 a year, with no additional cost.

Taking the figures for November alone this year the net earnings over expenses and taxes were $377,719. This increase would have brought this to $589,000. For the eleven months the net earnings were $3,664,596, or with the increase would have been over $6,000,000, at once placing the company in a position in which it could pay dividends.

The comparative figures for November, 1918 and 1917, and the eleven months in each year are as follows:

November	1918	1917
Gross earn.	$1,343,654	$1,243,066
Expen. and tax.	965,935	954,420
Net earn.	$ 377,719	$ 288,645
11 mos.—		
Gross earn.	$13,446,064	$12,275,726
Exp. and tax.	9,781,467	8,152,668
Net earn.	$ 3,664,596	$ 4,123,057

MEXICAN NORTHERN

A Santa Rosalia report to the Wall Street Journal says that the hydro-electric and irrigation project of Mexico Northern Power Co. is to be finished and placed in operation within the next few months, according to an official of the company who has just arrived from the City of Mexico to take charge of the work. This enterprise involves the construction of a large dam across the Conchos River at a point about 18 miles from Santa Rosalia, the installation of electrical machinery and equipment by which about 150,000 horsepower will be generated, the building of a system of canals and ditches, and the reclaiming of 200,000 acres of valley land by means of irrigation.

It is stated that several million dollars have already been expended upon the project. The company was organized twelve years ago and a concession obtained from the Diaz Government for carrying out the project. The purpose of the hydro-electric feature is to provide cheap power for the mines and other industries of the State of Chihuahua. Construction work was suspended eight years ago on account of revolutionary activities when the company had entered into contracts for furnishing electric power to many mine operators of Santa Eulalia, Parral, Santa Barbara and other districts, as well as to all the larger cities and towns of the State. It is understood that these contracts are still in effect, having been extended from time to time, pending the completion of the project.

The 200,000 acres of land which the company obtained from the Mexican Government by the terms of its concession are capable of producing enormous yields of various kinds of crops under irrigation.

TORONTO RAILWAY

Arrangements are now being made to put a batch of pay-as-you-enter cars into operation on the Toronto Street Railway system. One hundred cars of this type are either completed or under order.

A few shares of the stock changed hands during the week at 58. The dropping of the minimum in Toronto had the effect of lowering the asked price three points below the official minimum of 58 to 55. No sales were recorded at the lower levels indicated.

BRAZILIAN

Brazilian received a fair share of such interest as traders displayed in the market during the week. The price range was 53¼ to 51 as compared with 52¾-52 in the previous week; average quotations showed practically no change.

MACKAY

Only nominal business was transacted in Mackay securities this week. A few shares of the common sold at 74½ or half a point off as compared with last week, while the preferred at 65 showed a gain of one point.

WINNIPEG RAILWAY

The removal of the Toronto minimum on Winnipeg Railway has not been fol-

Continued on page 6

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GRAND TRUNK RAILWAY SYSTEM

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SMALLER NET PROFITS BY CON. SMELTERS CO.

Earnings Have Fallen Off By Over a Hundred Thousand

A DIVIDEND PAID

Outlook Regarded as Sufficiently Good to Warrant Continuance of the 10 Per Cent. Payment

As had been anticipated owing to the numerous operating difficulties encountered during the year, the net profits of the Consolidated Mining & Smelting Co. of Canada for the year ended September 30, 1918, showed a decline from the record established in 1917. After providing for taxes to the amount of $81,986, writing off $408,557 for depreciation of plant and equipment and charging profit and loss with $219,202 for development of properties, the net profits were $867,-259.

The comptroller points out that the depreciation charge is less than in the previous year on account of the amount allowed on the zinc plant being reduced. Developments and improvements in the process have placed it upon a firm basis as a revenue producer in the future; last year, its success appeared to be dependent upon high war prices for zinc continuing and therefore a higher depreciation charge was then made.

The dividend was not earned, though its payment was continued. On this point the president, W. D. Matthews, says, "Taking into consideration the recent improvements in metallurgical processes and the enhanced value of the company's mining properties on that account, your directors decided to continue payment of dividends at the rate of 10 per cent. per annum, charging to profit and loss account the deficit of $180,485.

Production of metals for the year exceeded ten millions and a half in value, bringing the total production of the company since its inception in 1894 up to $104,849,121. 374,889 tons of ore were treated, producing 52,917 ounces of gold; 1,708,692 ounces of silver; 38,844,946 pounds of lead; 7,982,003 pounds of copper and 21,-800,932 pounds of zinc. With the exception of zinc, all these figures were less than in 1917.

Owing to the increased cost of new construction and continually increasing costs of labor, materials and supplies of all kinds, the directors were unable to reduce bank overdrafts as had been hoped and expected. Further, the power development of the West Kootenay Power & Light Co., Limited, is to be extended and the copper refinery's capacity increased from 20 to 50 tons per day. These capital expenditures will require an additional $1,500,000. To provide for the reduction of the indebtedness to the bank and to place the finances of the company in more permanent shape, an issue of debenture bonds of $3,000,000 at 7 per cent. will be made and offered to the shareholders pro rata.

A comparative statement of the profit and loss account for the past three years follows:

	1918	1917	1916
Net profits	$ 949,245	$1,076,828	$ 996,496
Less taxes	81,986	....	....
Balance	$ 867,259	$1,076,828	$ 996,496
Less dividends	1,047,745	995,012	776,337
Balance	-$ 180,486	$ 81,816	$ 220,159
Prev. bal.	*2,328,608	2,278,458	2,058,299
Balance	$2,148,122	$2,360,274	$2,278,458

*From the previous year's balance there has been deducted provincial income tax of $31,-866 for 1917, paid in 1918.

YEAR OF CONTROL U.S. RAILROADS BY GOVERNMENT

Continued from page 1

tent of $316,206,536, leaving a balance available of $183,793,464.

On November 1 this balance was $277,258,590, so that during the month of November alone it had been drawn upon to the extent of $93,465,126. Of this latter sum, $29,281,496 represented the month's payments on equipment ordered by the Railroad Administration, bringing the total of such payments up to $58,433,628. Cost of all the equipment ordered is in round figures $395,000,000. Even allowing for the fact that some of this equipment will replace old and so will be charged to renewals or depreciation reserves, the bill for cars and engines already ordered would alone absorb much more than the balance in the revolving fund.

Financial Features

Up to December 1, the Railroad Administration had made loans, partial payments on rental account and payments on equipment to a total of $[illegible]90,000. Unfortunately, the Fin[illegible] has not seen fit to classify capital loans and rental payments, so that it is not possible to say exactly how much is repayable to the revolving fund. But of the aggregate, $199,483,-524 was derived from roads earning more than their estimated federal compensation and from the American Railway Express Co., and the balance gram of improvements was to be carried out. This fund of $500,000,000 was created by the federal control act of March 21, 1918. By December 1 last, it had been drawn upon to the ex-of $316,206,536, as stated above, has been drawn from the revolving fund.

A clear statement of the financial status of federal control and of the relations between the Railroad Administration and the various corporations is much to be desired. If a private corporation kept its stockholders as much in the dark as to its financial condition as the Railroad Administration does the public, there would be trouble. Before the signing of the armistice the prohibition against giving aid or comfort to the enemy may have explained the absence of intelligible publicity in this matter, but there would seem to be no longer any reason why a statement in correct accounting form should not be issued.

But the monthly statement of railroad earnings and expenses of the Interstate Commerce Commission throws some light upon current revenues and operation. From these it appears that the gross earnings of the railroads for this calendar year will have been close to if not somewhat in excess of $5,000,000,000, an increase of nearly $1,000,000,000 over 1917. Operating expenses will have increased by upwards of $1,225,000,000, so that net operating income will fall about $225,000,000 behind that of 1917 and approximately as much below the aggregate federal compensation.

DECLINE IN THE NET EARNINGS OF C.P.R.

Serious Increase in Costs of Operation Not Covered by Revenue

The prophecy made many months ago that the freight and passenger increases granted the Canadian Pacific Railway Company in common with the other Canadian railways would not cover nearly all of the extra costs of operation, labor and materials, is finding a very pronounced fulfilment as the year draws near its close. The figures of gross and net earnings for the month of November enable a complete record to be made for the eleven months of the year to Nov. 30, and this is a very disappointing one so far as the net earnings are concerned. The gross earnings were slightly in advance of a year ago, $2,468,390, but the operating expenses far exceeded those of 1917, with the result that the net earnings fell over $10,000,000 behind those of last year, being $31,691,-375 as compared with $42,634,739. Indeed, a comparison as far back as 1910 shows that this is the smallest net in all that period. In the first mentioned year, with a gross of a little over $92,000,000, the net earnings were $33,100,255, or close to $1,-500,000 more than this year, although the gross earnings in 1918 exceeded 1910 by close to $50,000,000. Working out on the percentage basis it is found that the costs of operation for this year to date were 77.65% of the income, while the percentage in 1910 was only 64.19%. Or, conversely, while in 1910 35.81% of the gross earnings were net to the company, this had declined to 30.67% last year, and a much greater decline took place this year to 22.35%.

Costs of Operation

11 mos.	% of gross	bal. net earn.
1918	77.65	22.35
1917	69.32	30.67
1910	64.19	35.81

As for the future it is reasonably certain that there will be considerable declines in the costs of raw materials, but the position with respect to labor costs it is, of course, impossible to forecast. The gross earnings to date this year constitute a new record for the company, last year being the highest up to that time, and 1913, just before the war, in third place. The comparative figures for the eleven months are as follows, taking the corresponding figures for the last nine years:—

11 mos.	1918	1917	Change
Gross ear.	$141,786,843	$139,318,452	+$ 2,4[illegible],390
Expen.	110,095,467	96,683,713	+ 13,411,754
Net	$ 31,691,375	$ 42,634,739	—$10,943,363

11 mos. 1918	Gross	Net
	$141,786,843	$31,691,375
	139,318,452	42,634,739
	127,302,819	45,455,070
	96,691,578	37,822,914
	103,022,828	32,588,543
	129,841,382	42,099,838
	122,060,085	41,563,425
	100,291,645	34,447,790
	93,146,345	33,100,255

Month of November Behind

Taking the month of November by itself it is seen that there was a slight falling off in the gross receipts compared with one year ago of 1.1 per cent., but the cost of operation rose 17 per cent., and the result was that the net earnings declined 35.4 per cent. In only one month of the present year has the company shown a [illegible] net. This was in October when this was up $31,133. Taking the last nine years as before, in only one was there a smaller net than this year, namely, in 1914, when the gross fell to $8,000,000, or $7,000,000 less than in the present case. Below are given the comparative figures for the month of November for the last nine years:—

November	1918	1917	Change
Gross	$15,023,088	$15,191,162	—$ 168,074
Expenses	11,624,615	9,933,270	+ 1,691,345
Net	$ 3,398,472	$ 5,257,892	—$1,859,420

November	Gross	Net
1918	$15,023,088	$3,398,472
1917	15,191,162	5,257,892
1916	13,401,943	5,563,960
1915	13,351,284	6,354,413
1914	8,057,359	2,644,072
1913	13,407,015	4,888,246
1912	12,362,666	4,258,139
1911	10,570,604	3,987,366
1910	9,413,238	3,737,122

NEWS OF SECURITIES

Continued from page 5.

lowed by any indication of a changed attitude of the market. While the minimum remained 48 was being asked but since there have been no quotations.

Winnipeg's city solicitor has advised the council in the event of increased fares being continued that a demand should be made that certain concessions be granted to the city at the same time in relation to the franchise contract. He says in part: "To correct an impression which generally prevails—that the Winnipeg Electric Railway Company's franchise expired in 1927—I wish to point out, so that there may be no misunderstanding that the city may assume the ownership of the railway and property in connection therewith on six months' notice prior to the expiration of the franchise. The value is to be determined by arbitration. If the city does not purchase at the end of the franchise period the company may operate as before for succeeding five years, and the city will be entitled to exercise its option to purchase at each of these five-year periods, on one year's notice.

"If the company claims to be entitled to have its contract varied with respect to the rates of fares, why should not the city be entitled to eliminate the exclusive features of the franchise in 1927, or perhaps earlier? There may be other features of the problem which will present themselves on further discussion, but it seems to me this matter now merits consideration."

TRANSPORTATION

Uncertain Situation in the United States Being Closely Followed in Canada

The situation in the United States in relation to the future of the railroads is being closely followed in Canada on account of the similarity of conditions in the two countries and the influence which American example has on this side of the line in setting the standard of rates, wages, materials, etc. A year of Government control of the U. S. roads has now passed and uncertainty prevails as to when they will be returned to their owners, if at all.

The railroad situation in the United States continues very unsettled, and the conviction is growing, according to the "Wall Street Journal," that the McAdoo plan to extend the period of Federal contract for five years must be opposed with all possible vigor. The "Journal" continues:

There are still serious differences of opinion as to the methods which shall be advocated before Congress of dealing with the railroads until permanent legislation fixing their status can be had. An important element among the railroad men hold that Congress should be asked to carry out the provisions of the Federal Control Act as it stands, namely, to terminate Government possession within twenty-one months after the declaration of peace, and meanwhile to pursue actively the study and passage of new regulatory measures. Another element proposes to ask the immediate return of the roads to private management, to be operated for the account of the Government under the existing compensation contracts for the twenty-one months. Under the latter plan improvements and purchases of new equipment would revert to the companies.

The United States Bureau of Railway News and Statistics announces that in September the average receipts from passengers carried one mile this year were 2.52 cents, and from freight per ton carried one mile 0.929 cent; those from passengers carried a mile last year were 1.966 cents, and from freight per ton 0.722 cent. Thus the average increase under federal control is slightly more than 28 per cent. in each case.

The American Government's loss in operating the railroads in 1918 is calculated by railroad administration officials at less than $150,000,000. This represents the difference between the aggregate amount the Government will be compelled to pay railroad companies as rental for the use of their properties—the so-called guaranteed return—and the net income which the Government will receive from the railroads. It will take six months more of receipts from the increased freight rates to permit the Government to recoup its losses, officials believe.

CANADIAN NORTHERN

Gross earnings of the Canadian Northern Railway for the month of November amounted to $4,649,500 as compared with $4,050,200 for the same month in 1917, an increase of $629,300. Operating expenses at $4,018,800 were higher by $723,-300, while net earnings amounted to $660,7[illegible], showed a decrease of $94,000 from last year's figures, and as compared with October showed a falling off of $158,800. Following are comparative figures for the first eleven months of the year:

	Gross. Earnings.	Operating Expenses.	Net Profits.
January	$2,715,300	$3,290,300	*$575,000
February	2,691,000	3,171,400	* 480,400
March	3,436,300	3,225,900	210,400
April	3,958,100	3,416,800	541,300
Map	3,762,000	3,381,100	380,900
June	4,031,100	3,516,900	514,200
July	3,739,400	3,462,700	276,700
August	3,933,300	3,433,700	499,000
September	4,050,900	4,109,000	*58,100
October	5,175,000	4,355,500	819,500
November	4,679,500	4,018,800	660,700

From July 1 to the end of November the gross totalled $21,578,100, a gain over the figures for the corresponding period last year of $2,994,500, and net amounting to $2,198,400, showed a decrease of $1,071,400.

It is stated in New York that before the Canadian Northern Railway can be put into adequate operation, some $35,-000,000 must be expended for tracks, bridges and roadbed. This is stated to be the report made to the Dominion Government. It is expected that the operating deficit on the Canadian Government Railways for the present year will be in the neighborhood of $8,000,000.

D. B. Hanna, president and chairman of the Board of Canadian National Railways, distributed to all parts of the system the following Christmas message: "To all employees,—As a first official greeting to all employees of the Canadian National Railways this Christmas message is to wish for you and yours the continuation of Peace and Goodwill. With the New Year close at hand which we enter under such changed conditions it is opportune to ask your cooperation in making a success of Government-owned Railways in the wider field which the combined system now serves. Our duties to this end should be regarded as a public trust. Our aim must be efficient transportation service which we know can only be achieved through the loyal support of all employees. At this time we are getting back some of those who have so well represented Canada on Flanders fields. Those who return to our service we welcome. It should hardly be necessary to say to our employees that while travelling on our lines Returned Soldiers should be treated with all consideration and respect, and that their journey should be made as comfortable as possible for them, also that information as to returning soldiers should be handled with special care and thought of the great importance of such information to those personally concerned."

C. A. Hayes, vice-president in charge of traffic of the Canadian National Railways, has completed the organization of the chief offices under his jurisdiction, and circulars are now being sent out to cover the appointments made, which include a freight traffic manager and a passenger traffic manager with offices at Toronto; three assistant freight traffic managers having offices at Moncton, Montreal, and Winnipeg respectively, a passenger traffic manager with office at Winnipeg, two general passenger agents with offices at Winnipeg and Toronto, and a general freight agent with offices at Winnipeg.

CANADIAN PACIFIC

The Canadian Pacific Railway statement for November shows gross earnings amounting to $15,023,088 as compared with $15,191,163 for the same month in 1914, a decrease of $168,045. Operating expenses at $11,624,615 were considerably higher than in October and were $1,631,-345 higher than for November a year ago. Net profits at $3,398,472 showed a falling off of $1,859,421 from last year's figures and as compared with October were lower by $1,687,363.

Commenting on the Toronto *Globe's* editorial remark that C.P.R. stock is registered in New York alone and that the disposition of dividends on enemy-owned stock is consequently a matter of dispute a high officer of the C.P.R. says: The *Globe's* statement is utterly inaccurate. C.P.R. stock is registered in London, Montreal and New York at the pleasure of the shareholders as in past years. With reference to dividends on enemy stock the company has nothing to do with the disposition of these. They are subject to instructions of Government."

E. W. Beatty, president of the C.P.R., sends the following New Year's greeting to all officers and employees on the system:—"I extend greetings and best wishes for the happiest New Year in history of Canada, with her victorious soldiers returning home, her fame world-wide, and the blessing of peace assured. Confidence in the prosperity and development of our country is more than ever justified, and I trust that officers and employees will aid that development by taking deep and active interest in every movement that may help to solve Canada's problems."

GRAND TRUNK PACIFIC

The gross earnings of the Grand Trunk Pacific Railway for the last nine-day period in November totalled £45,150 against £50,771 for the corresponding period in 1917, a decrease of £5,621. From July 1 to November 30 the earnings were £600,-436 compared with £641,496, a falling off of £41,060.

CANADA STEAMSHIP LINES

One of the most severe shocks that holders of common stocks have received this year has been the portion of those who bought Canada Steamship Lines when it jumped up to 49 and reached a high of 50¾ in Montreal and 51 in Toronto. This point was reached coincident with the return of the managing director, J. W. Norcross, from England. By Tuesday it had dropped to 44¾, a decline of 6 points from ten days before, although it closed a shade stronger. The sharp decline in the week is taken to indicate that there will not be any 6% declaration as was at one time thought probable, in the form of 3% declared for the half-year. The best that is looked for now is 5%, as it appears to be the opinion of a majority of the Board that 6% would be too much as an initial dividend at all events, with two very heavy earning years behind the company, and earnings for 1920, at all events, not assured on as high a scale as in 1918. The preferred held around 78¾-79 ex-dividend.

OTHER STOCKS

ATLANTIC SUGAR

One indication of more favorable conditions in the sugar business in Canada was given on Thursday when Atlantic Sugar Refineries, Limited, reduced its price 10 cents per cwt. In a week or two better supplies of raws will be coming and shortly afterwards export business, it is hoped, will be in sight.

AMES, HOLDEN, McCREADY

Those who are in favor of taking no action in the case of a dividend payment on account of the arrears in the preferred stock of Ames-Holden-McCready, Limited, base their argument on the fact that the ending of the war had created more or less uncertain conditions in all trade, and this in itself renders conservative action advisable. In the case of this company, peculiarly, most of the business consists of sales for spring and summer, and as these are not delivered until February, March and April, it follows that these transactions do not rank as sales until late in the spring. That is by far the largest part of the company's business is a matter of the spring months, just before the annual meeting in May. Thus it will not be for a couple of months yet until the year's business technically begins to bulk largely, and dividend action to a great extent would have to be taken in now in ignorance of this business. The Street is beginning to accept the position taken in THE FINANCIAL POST two weeks ago that there will be nothing done in the dividend until the annual meeting or just before it. The preferred stock received a bid of 65¼ this week but there were no sales.

CANADA CEMENT

On a comparatively small volume of business the market for Canada Cement has been slightly easier this week on the whole with sales of the common at 65, although as high as 67 was touched. The preferred also sold off fractionally to 95.

CITY DAIRY

There have been no sales of City Dairy for some weeks now. For the common 48 is being bid without offers as compared with last sales at 50, and 82 is offered for the preferred compared with last transactions at 84.

DOMINION CANNERS

The removal of the British restrictions on canned, bottled and preserved fruit has opened up a new and unusual market for the canning companies of the Dominion. Formerly it was all the other way. English preserved fruits was a staple on this market. Now, however it looks as though there should be a great opening for the Canadian trade for some time at least. As a matter of fact the Dominion Canners have been doing a very brisk business in these lines at the moment, have indeed practically cleaned up their stocks of canned and preserved fruits, and could sell more if they were available. Moreover prices are unusually high and show a very satisfactory profit to the exporter. There is some demand, too, for canned vegetables, though there is not the same eager market, nor the same handsome profit in these lines.

GOODWINS, LIMITED

For the second time during 1918 Goodwins common came into the trading on December 30th when a few shares sold at 45. This price was unchanged from the previous transaction in December. There was no trading in this stock during 1917. In 1916 and 1915 there were a few sales at 26.

LOEW'S, MONTREAL

The fiscal year of Loew's Montreal Theatre Company will come to an end on January 5, and it is understood that a satisfactory statement will be presented about the end of January. Early in the spring the company was faced with a false report that the building was unsafe, and this for a time a[illegible]ed the attendance. Then the theatre with others was closed under orders of the Health Department for several weeks this fall, and this of course interfered seriously with receipts. In spite of this the other periods have been well patronized and the support continues to grow. The report will show a good surplus after meeting all fixed charges and the preferred dividends.

PETROLEUM

Following the dividend of 50 cents per share there has been considerable activity in International Petroleum. The price was run up from $18.25 last week to a high of $20.50 but later declined to $17.75.

ROGERS

The dropping of the minimums has not affected the market for Rogers common although there have been no transactions in that stock for more than a year. The asked price is 40, or the equal of the late minimum.

SHREDDED WHEAT

Although there have been no sales of Shredded Wheat common since about the middle of September, there is a distinct improvement in the market from the level of 11[illegible] then indicated—in August the price was down to par. Late quotations indicate 1[illegible] bid for the stock without arousing the interest of holders.

NEW MILL BUILT

Lumber Mill in Prince Rupert District For Commercial Work

As an illustration of the developments which are sure to come in this north country the new lumber mill on Larcom Island is a good example, states the Prince Rupert "News." While all the spruce mills of the district have been shut down with the closing of the spruce contracts, it is announced that the Larcom Island mill was built for ordinary commercial work and not for the purpose of supplying spruce, and that in the spring it will open up and cut 100,000 feet a day. Also it is important to note that a deep sea wharf is to be built which will make it possible to load lumber into ocean-going steamers.

DIVIDEND NOTICES

THE MERCHANTS BANK OF CANADA

SPECIAL DIVIDEND

NOTICE is hereby given that a special Dividend of One per cent. upon the paid-up capital stock of this Bank has been declared out of accumulated and undivided profits, and will be payable at its Banking House in this city and at its Branches on and after 6th January next to shareholders of record on the evening of 14th December.

By order of the Board.

D. C. MACAROW, General Manager

Montreal 6th December, 1918.

The Merchants Bank of Canada

QUARTERLY DIVIDEND

NOTICE is hereby given that a dividend of Two and Three-quarters per cent. for the current quarter, being at the rate of Eleven per cent. per annum, upon the Paid-up Capital Stock of this Institution, has been declared, and will be payable at its Banking House in this city and at its Branches, on and after the 1st day of February next, to Shareholders of record at the close of business on the 15th day of January.

By order of the Board.

D. C. MACAROW, General Manager.

Montreal, 27th December, 1918.

Canadian Car & Foundry Company, Limited, Montreal

NOTICE is hereby given that a Dividend of One and Three-quarters per cent. on the Preference Shares of the Company for the Quarter ending December 31st, 1918, has been declared, payable on January 10th, 1919, to Shareholders of record at the close of business January 1st, 1919. The transfer books of the Company will not be closed.

Shareholders will confer a favor upon the management by advising The Royal Trust Company, Montreal, Transfer Agents for the stock, of any change in address.

By order of the Board,

F. A. SKELTON, Secretary and Treasurer.

December 16th, 1918.

The Canadian Fairbanks-Morse Company, Ltd.

PREFERRED DIVIDEND No. 27

NOTICE is hereby given that a semi-annual dividend of 3 per cent. (3%) on the preferred stock of this company has been declared due and payable on the fifteenth day of January, 1919, to [illegible] shareholders of record at the close of business, Tuesday, December 31st, 1918. The Transfer Books will not be closed.

By order of the Board,

T. M. CULLEN, Assistant Secretary.

Montreal, December 21st, 1918.

International Petroleum Company, Limited

NOTICE OF DIVIDEND No. 2

NOTICE is hereby given that a dividend of 50c per share has been declared by the Directors of the International Petroleum Co., Ltd., and that the same will be payable on or after the 31st December, 1918, in respect of the shares specified in any Bearer Share Warrants of the Company upon presentation and delivery of coupons No. 2 attached to the said Bearer Share Warrants at the following Banks:

The Royal Bank of Canada, 60 Church St., Toronto, Canada.
The Farmers Loan & Trust Co., 16-22 William St., New York, N.Y.
The Farmers Loan & Trust Co., Ltd., 26 Old Broad St., London, England, or
The offices of the International Petroleum Co., Ltd., 56 Church St., Toronto, Canada.

The payment to shareholders of record whose shares are fully paid up at the close of business on the 30th day of December, 1918, and whose shares are represented by Registered Certificates will be made by cheque mailed from the offices of the Company on the 31st day of December, 1918.

By order of the Board.

J. R. CLARKE, Secretary.

ANNUAL MEETINGS

Bank of Nova Scotia

NOTICE is hereby given that the Annual General Meeting of the Shareholders of this Bank will be held in the Banking House, Hollis Street, Halifax, on Wednesday, the 22nd January next, at Eleven o'clock, a.m., for the purpose of receiving a statement of the affairs of the Bank, for the election of Directors and for other business.

By order of the Board,

H. A. RICHARDSON, General Manager.

Halifax, N.S., Dec. 14th, 1918.

The Canadian Bank of Commerce

THE Annual General Meeting of the Shareholders of this Bank for the election of Directors and for other business will be held at the Banking House in Toronto on Tuesday, the 14th day of January next.

The chair will be taken at 12 o'clock noon.

By order of the Board.

JOHN AIRD, General Manager.

Toronto, December 7th, 1918.

MANUFACTURERS OF STOVES DESIRE STANDARDIZATION

Continued from page 1

"There are so many good features in connection with the said standardization limiting the number of styles of stoves, heaters, etc., that we cannot help but feel that the Canadian stove manufacturers will continue in this policy as far as practical.

"We believe that the trade appreciates the necessity of such limitation and we hear that now they are accustomed to same they appreciate the fact that it also simplifies the handling of heating and cooking stoves and that they in turn likewise do not have to carry such a large and varied stock.

"Further we believe that all concerned feel that this is the right procedure for the future and will be satisfactory to all that are interested in the stove trade where the said lines will supply their needs."

The Moffat Stove Co., Limited, Weston, Ont., writes as follows:

"So far as we are aware the Canadian stove manufacturers have not been asked by the Government to carry into effect any general system of standardization of patterns, styles, sizes, etc., of stoves and heaters. At the same time, nearly every stove manufacturer in Canada has found it necessary to do something along this line. So far as our firm is concerned we have been favored with practically no Government orders, and have had to work our plan of reconstruction and standardization without any outside help. The result has been that we have cut down our patterns and sizes from 40 to 60 per cent. and are well satisfied with the change.

"Our sales for 1917 and 1918 are the highest in the record of our company, and we are now in the unique position of having a complete line of standardized goods for coal, gas and electricity, and have no hesitation in stating that we are ready to compete on equal basis with any manufacturer in America making similar goods."

In the United States the National Association of Stove Manufacturers is ascertaining the views of its members on the subject. The War Service Committee of the stove industry has devised as a measure of conservation, during the reconstruction period the continuance of reduction in the number of sizes, styles, and finishes of stoves and ranges. A circular letter to this effect has been sent out to the trade by Robert S. Wood, secretary and cost expert of the National Association of Stove Manufacturers. It reads in part as follows:

"You will observe the outstanding recommendation of the Conservation Division is that the program heretofore, adopted for the elimination of styles, sizes and finishes of stoves and heaters be continued and your War Service Committee earnestly endorse such a procedure.

"Many manufacturers have expressed themselves as being in thorough accord with the policy, feeling that it would be good practice for manufacturers and retail dealers, and result in larger profits for all, and better jobs for the workmen.

"It would seem almost a crime, at least, show bad judgment in business conduct for stove manufacturers to go back to the former unwise and wasteful methods and attempt to again make the endless variety that was heretofore in vogue.

"This question was thoroughly discussed in the conference of War Service Committees and received the unanimous approval of the congress, pertaining not only to stoves and ranges but to all industries.

"Wire-fence makers reduced their production from over 1,000 styles to 54 styles, making a saving of over $1,000,000 a year.

"Safe and vault makers from 1,200 styles to 54 styles.

"The paint manufacturers have reduced the number of shades or colors from 200 to 32.

"The rubber manufacturers agreed to reduce their styles from over 180 to 9.

"The farm truck manufacturers had over 500 different styles of trucks or wagons, and have reduced them to less than 20.

"A copy of the original conservation regulations is herewith enclosed, and your particular attention is directed to the advantage of permanently discontinuing the manufacture of stoves and ranges with 9-inch covers, and hereafter using only 8-inch covers, except where the body of the stove is too small to permit the use of such size.

"The abolition of 9-inch covers could quickly be brought about by ceasing to offer them for sale and by not listing them in catalogues. This course is earnestly recommended to all stove makers as of interest to the entire industry.

"Back-guards and tea shelves in high closets being wholly ornamental, but serving no real purpose, may be used at the option of the manufacturer."

The members are asked to signify their approval or disapproval of the above in five days and replies already received indicate, it is stated, that a great many firms will continue standardizing.

EXCESS PROFITS TAX

LONDON.—The National Union of Manufacturers during the hearing of a special deputation by the Prime Minister and Chancellor of the Exchequer urged on the Government as soon as Parliament assembled a prompt and definite decision as to a national economic policy. It is proposed also to bring pressure to bear upon the Government to reconsider the question of the excess profits tax in connection with the two following points:

1. The desirability, in view of the depreciation in the value of money, of raising the present standard of profit over which the excess profits tax is levied.
2. To reduce the 80 per cent. tax to a reasonable figure.

CANADIAN STOCKS

Quotations of listed Securities on the Montreal and Toronto Stock Exchange, with prices at closing on Dec. 4 in stocks listed on both Exchanges prices quoted are those of the market in which a stock is the more active (Reserve Funds, Profit and Loss, include all Reserves except "Depreciation.")

BANKS

Capital Stock Outstanding	Reserve Fund	Profit and Loss	Net Earnings % 1917	Div. 1915	Div. 1916	Div. 1917	Last Dividend Date 1918	Rate	Yield to Dec. 26	BANKS	Range 1915 High	Low	Range 1916 High	Low	Range 1917 High	Low	Range 1918 to Dec. 26 High	Date	Low	Date	Close Jan. 4 1918 Ask	Bid	Close Jan. 2 Ask	Bid	Week ending Jan. 2 High	Low	Close	Sales	Minimum
4,866,666	3,017,333	428,844	13 70	7	7	8	5th Oct.	s. 4	4.84	British North America	145	145	112	110	112	112	165	Oct. 4	112	Feb. 28									112
15,000,000	13,500,000	1,332,074	17 58	10+2	10+2	10+2	3rd Dec.	s. 2½+1	4.97	Commerce	205	203	203	183	188	182½	201½	Dec. 26	183¾	Jan. 12	185			204	202	201	201	174	185
6,000,000	7,000,000	393,004	17 75	12	12	12	2nd Jan.	q. 3	5.76	Dominion	229¾	227	220	204	212½	202	209½	Dec. 17	199	Jan. 7									202
3,000,000	3,300,000	232,421	19 95	12	12	12	2nd Dec.	q. 3	6.38	Hamilton	208	201	197	246¾	192	184	188⅛	Dec. 13	184	Feb. 6									184
4,000,000	3,700,000	45,022	14 13	9	9	9	3rd Dec.	q. 2¼	6.42	Hochelaga	150	149	149	145	145	140	140	Jan. 29			140				143	143	143	30	140
7,000,000	7,000,000	1,204,942	16 92	12	12	12	1st Nov.	q. 3	5.94	Imperial	214	210	203	180	200½	185	202¼	Dec. 13	185	Jan. 2	185		203	202	203	202½	203	36	185
1,946,806	300,000	145,238	11 15	7	5	5	2nd Dec.	q. 1¼	4.42	Home Bank																			
7,000,000	7,000,000	437,073	17 66	10	10	10	1st Nov.	q. 2½	5.55	Merchants	180	180	180	150	170	167	180	Dec. 17	167	Jan. 2	167		180	179	181	180	181	73	167
4,000,000	4,800,000	15[illegible]	15 38	11	11	11	2nd Jan.	q. 2¾	6.11	Molsons	202	200	195	182	186	179⅝	179⅞	Mar. 13	179⅝	Dec. 6					179⅞	179⅞	179⅞	35	179⅞
16,000,000	16,000,000	1,66[illegible]	15 48	10+2	10+2	10+2	2nd Dec.	q. 2½+1	4.62	Montreal	240	234	240½	219	234	210	218½	Dec. 16	210	Jan. 8	210		216	215	216	216	216	47	210
2,000,000	2,000,000	[illegible]	20 88	8	8	8	2nd Nov.	q. 2	6.08	Nationale	132¾	132¾	134	134	149	134	148												148
6,500,000	12,000,000	56[illegible]	19 92	14	14	14	2nd Jan.	q. 3½	5.57	Nova Scotia	265	261	261	254	257½	248½	251½	Dec. 13	248	Jan. 3	244½			255	255	254	254	35	201
4,000,000	4,750,000	11[illegible]	15 40	12	12	12	2nd Dec.	q. 3	5.91	Ottawa	207	207	204	202	202	200	205	Dec. 19					206	203	205	202	206	102	198
12,911,700	14,000,000	56[illegible]	18 02	12	12	12	2nd Dec.	q. 3	5.63	Royal	223	221¼	221¼	210	214	208	215	Dec. 24	205	Jan. 7	205		214	213	214	212½	214	108	208
3,453,240	4,453,290	17[illegible]	19 08	13	13	13	1st Nov.	q. 3¼	6.37	Standard	220	215	221	211¾	215	200	204¼	Dec. 21	200	Jan. 2	200		210	208	208⅜	208⅜	208⅜	25	200
1,216,932	350,000	[illegible]	15 38	6	6	6	15th Nov.	q. 1½	6.12	Sterling	98½	98																	
5,000,000	6,000,000	55[illegible]	16 05	11	11	11	2nd Dec.	q. 2¾	5.69	Toronto	211	207	215½	190	192	187½	193½	Dec. 24	181¾	Jan. 5	185		193	192½	194	193	194	6	187
5,000,000	3,400,000	1[illegible]	15 26	8+1	8+1	8+1	2nd Dec.	q. 2¼	5.62	Union	140½	140	140	132	142	135	162	July 30	137	Jan. 2	137	136	161	159	160	160	160	16	136

TRANSPORTATION—RAILWAYS, NAVIGATION AND STREET CARS

Outstanding Common Stock	Outstanding Preferred	Bonds and Debentures	Reserve Funds Profit and Loss	Div. 1916	Div. 1917	Last Dividend Date	Rate	Yield	Company	1915 High	Low	1916 High	Low	1917 High	Low	1918 High	Date	Low	Date	Jan. 4 1918 Ask	Bid	Jan. 2 Ask	Bid	Week High	Low	Close	Sales	Minimum
27,450,000	8,483,500	50,[illegible]							Barcelona, T. L. and P.	17⅜	7⅜	17	19	17	8	15½	Nov	8¾	Jan. 17	9½	8¾	12¾	[illegible]	12¾	12⅝	12½	155	
106,417,800		7,[illegible]	5,190,986	4	1	1st Jan.	q. 1	7.54	Brazilian Traction L. and P.	59¾	45	62⅝	43	47¾	31¾	60¼	Nov 12	32	Jan. 2	32¾	32⅜	53	52⅝	53¾	51	52¾	366	32
	10,000,000			6	6	1st Jan.	q. 1½		Brazilian Traction, Pref.																			
12,000,000		7[illegible]	2,374,754						Canada Steamships Lines, Com.	20	6	45	16	45⅝	29¾	51	Dec. 23	39	May 15	40⅛	40	45⅞	45⅝	49	44¾	45⅞	2,070	39¾
	12,500,000			5½	19.83	2nd Jan.	q. 1¾	8.86	" " Pref	76½	59	95½	89¾	93¾	71	80¼	Dec. 9	72½	Jan. 2	76	75⅛	78¾	78½	79	78	78¾	558	72¾
260,000,000	80,681,921	27[illegible]	240,909,813	10	10	1st Jan.	q. 2½	6.17	Canadian Pacific Railway	195½	139¾	182⅛	163¾	167⅛	127⅞	173	Aug. 2[illegible]	137¾	Jan. 5	140⅛	133⅛							
15,000,000		35[illegible]	7,978,243	6¾	7¾	1st Dec.	q. 2	6.66	Detroit United	73	62	128⅛	69	128	104⅝													102⅝
3,500,000	1,500,000	[illegible]	622,620		2	2nd Jan.	s. 1	4 87	Duluth Superior Traction Co., Com.	60	55	49	37	51	40	42	Jan. [illegible]	41	Jan. 7	42								41
12,331,000		162,000	1,726,068	3	3				Illinois Traction, Com.																			35
	7,289,500			6	6	2nd Jan.	q. 1½	7.50	Illinois Traction, Preferred	93	91	91	87¾	89	79	80	Jan. 8			80								80
20,000,000		1[illegible]				1st Nov. '13	q. 1¾		Mexico Tramways Co.																			
25,206,800	12,603,400	8[illegible]	19,911,878	7	7	15th Oct.	s. 3½	[illegible].73	Minn., St. P. and S.S.M., com	126¾	116½																	
3,394,300		3[illegible]	1,256,449	10	10	1st Aug.	q. 2½	6.66	Montreal Tramways	220	220			181	144	150	Feb. 22											150
9,000,000	4,465,500	1[illegible]	2,428,908	5	5	15th Sept.	q. 1¼	6.84	Northern Ohio Traction	73	73																	
3,000,000		[illegible]	173,084			1st Oct. '14	p. 1	10 81	Porto Rico Railways Co., Com.	51	45	49½	30	42	30	37	Aug. 16	25¼	May 3									
	1,000,000			7	7	1st Oct.	q. 1¾	8.75	" " Pref			30		80	80													
9,999,500		1[illegible]	681,572			15th Jan. '12	q. 1 p	21.05	Quebec Railway L., Heat & P. Co.	20½	9⅛	45	14	35½	14¾	22½	May 16	15	Jan. 12									15
12,000,000		[illegible]	6,273,472	8	8	2nd Jan.	q. 1	6.8	Toronto Railway	117½	111	111	72	90½	58½	63	Feb. 5	58	Jan. 3	60	58	55		58	58	58	10	58
22,000,000	3,000,000	2[illegible]	1,285,804	6	6	2nd Jan.	q. 1	8.33	Twin City, common	101	93	101	93⅜	95	53	65½	Jan. 28	39½	June 17	65	64	42	40	47	38¼	39	145	
9,000,000		1[illegible]	1,407,658			1st Jan. '16	q. 2½	18.75	Winnipeg Electric	186½	180	110	90	81	36	48	Jan. 25											48

TELEGRAPH, LIGHT AND POWER UTILITIES

Outstanding Common Stock	Outstanding Preferred	Bonds and Debentures	Reserve Funds Profit and Loss	Div. 1916	Div. 1917	Last Dividend Date	Rate	Yield	Company	1915 High	Low	1916 High	Low	1917 High	Low	1918 High	Date	Low	Date	Jan. 4 1918 Ask	Bid	Jan. 2 Ask	Bid	Week High	Low	Close	Sales	Minimum
18,000,000		11,149,000	2,181,025	8	8	15th Oct.	q. 2	6.15	Bell Telephone	159	140	152	140	150	129	132½	Feb. 2	128	Jan. 7	130		130		130	130	130	16	125
5,336,340				10	10	2nd Jan.	q. 2½	6.80	Consumers Gas	185	176	176	160	165½	147	153	Oct. 4	144½	Mar. 21	148								144½
1,900,000		2,999,813	177,747						Calgary Power																			
41,380,400			1,918,452	5	1½	2nd Jan.	q. 1¼	8.00	Mackay, common	70¼	65	69¾	64½	90	70¾	79¾	Sept. 5	72½	Jan. 3	75⅛	75	75½	74⅞	75	74⅛	74½	12	
	50,000,000			4	4	2nd Jan.	q. 1	6.25	" preferred	46	46	15	15	68	59	65¾	Apr. 26	56½	Jan. 28	60	59½	66½	65	65	65	65	48	
13,585,000	6,000,000	21,073,833	318,522			30th Dec. '13	th. q. 1		Mexican Light and Power Co., com							20	Oct. 18	18	Oct. 17									
63,965,800			1,585,313		4	15th Nov.	q. 1	4.54	Montreal L., H. and Power Cons					82⅞	67⅛	88⅛	Sept. 6	68¾	Jan. 4	68½		88	87⅛	88¾	87⅛	87½	909	68¾
3,483,520		1,275,000	805,499	6	6	1st Jan.	q. 1½	7 31	Ottawa, Light, Heat and Power Co.	123	120	95¾	92	92	69¾	86	Sept. 5	69	Jan. 14									69½
15,000,000		12 8 8 761	2 992 348	7	7	10th Oct.	q. 1¾	5.98	Shawinigan Water and Power Co.	139½	110	137	126¾	130½	107	118¼	Dec. 17	105	Jan. 23	107		115½	115	115½	115	115½	865	107½

INDUSTRIALS AND MISCELLANEOUS

Outstanding Common Stock	Outstanding Preferred	Bonds and Debentures	Reserve Funds Profit and Loss	Div. 1916	Div. 1917	Last Dividend Date	Rate	Yield	Company	1915 High	Low	1916 High	Low	1917 High	Low	1918 High	Date	Low	Date	Jan. 4 1918 Ask	Bid	Jan. 2 Ask	Bid	Week High	Low	Close	Sales	Minimum
5,000,000	1,000,000	5,953,200	632,047	1¾	7	2nd Jan.	1¾	14.28	Abitibi Power and Paper, com					58⅛	48	51½	Oct. 3	48	Apr. 2					49	49	49	25	48
6,514,000	7,895,200		525,402						Amer. Cyanamid, com					30	19	35⅞	Mar. 18	21	Jan. 5									
3,500,000	2,500,000	1,563,666	507,408						Ames Holden McCready Co., com	23	7⅞	35	19½	23⅛	12	28	Aug. 6	15	Apr. 25									15⅞
						1st July '14	q. 1¾	10.60	" " pref	75	55	80½	52	61	47	72½	Aug. 7	47	Jan. 4					65⅝	65⅝	65⅝	10	47¾
4,265,600				4	4	21st Nov.	q. 1¾	10.63	British Col. Fish, com					56	35	52½	Aug. 10	40	Jan. 26									38½
7,000,000	2,000,000	1,524,000	319,825		5	7th Nov.	1+¾	6.66	Brompton Pulp and Paper, com					59	38	63¾	Oct. 4	41¾	Jan. 2	39⅛	39		60	61¾	60	60	330	39½
750,000			497,863	6	6	2nd Jan.	q. 1½	9.23	F. N. Burt Company, com	72⅛	70	88	72	82	65	67	May 8	63⅛	Dec. 16			72	69	65	65	65	20	63
	1,975,200			7	7	2nd Jan.	q. 1¾	8.33	" " pref	75	89	96	86	93½	86	86¼	Nov. 7	84¾	Jan. 11					90	90	90	22	84
2,500,000		3,750,000	153,523		2	2nd Jan. '17	2		Canada Bread, com	31⅛	20	30	16½	20	13	24½	Dec. 5	16	Jan. 3	18		23⅛	23	23¼	23	23⅜	513	8
	1,250,000			7	7	2nd Jan.	q. 1¾	8.43	" " pref	90¼	90	90	87	86½	80	83¾	Apr. 24	83¾	Mar. 20									
13,500,000		7,055,073	3,746,999	4½	6	16th Oct.	q. 1½	9.09	Canada Cement, com	48⅛	28	73	37¾	69⅞	52	69¾	Nov. 4	56½	Jan. 17	58¼	57¾	66	65	67	65	65	816	55¼
	10,500,000			7	7	16th Nov.	q. 1¾	7.36	" " pref	98½	89¾	9	86	95¾	90	96	Dec. 7	90	Feb. 3	90			94	95⅛	95	95	78	90¾
4,963,700		5,385,603	3,340,063			2nd June '14	s. 2	13 79	Canadian Car and Foundry, com	120	50	75	32	46½	17	38¼	Aug. 28	18½	Jan. 2	18⅛		29½	28¼	30⅛	25¾	30½	755	18⅝
	7,500,000					15th July	q. 3½	8.23	" " pref	127	98	94	1¾	89	49	91	Aug. [illegible]	49½	Jan. 3			84	83⅛	86⅛	85	85	120	49½
1,733,500		399,000	541,711		3	15th Nov.	q. 1¾	10.86	Canadian Converters	34	34	46	34	43	39	50	Sept. 28	43	Mar. 20					46	46	46	35	43⅛
2,715,500		4,688,000	1,948,109	3	4	1st Jan.	q. 1½	8.82	Canadian Cottons, Limited com	40	24	65	39	56	46½	76	Aug. 28	48½	Jan. 4					69	69	59	1	48
	3,661,500			6	6	1st Jan.	q. 1½	7.89	Canadian Cottons, Limited, pref	77	71	82½	75⅛	82	75	77	July 5	75	July 5	76								
1,600,000	1,500,000		1,340,439	3	9	15th July	s. 3		Canadian Fairbanks-Morse, pref.	95	95																	
960,000		346,100	1,128,281	10+9	12+3	15th Nov.	q. 3	[illegible]18	Canadian Foundries & Forgings, co			217	170	265	150	213	Sept. 12	150	Feb. 2									
	960,000			7	7	15th Nov.	q. 1¾	7 21	" " pref			90	85	84	82	97	Nov. 2	90	Sept. 19									15
2,010,000		1,500,000	1,657,324		3	1st Jan.	q. 1½	9.52	Canadian Locomotive Co., com	64⅛	30	64⅛	51	64	52¼	69⅛	Sept. 5	58	Jan. 31			64	63	63¾	63¾	63¾	5	56¼
	1,500,000			7	7	1st Jan.	q. 1¾	7.77	" " pref	90	78	99	81	91⅛	83	90½	Sept. 19	83	Feb. 6					90	90	90	12	82¾
2,805,500		9,500,000	4,305,934			15th Oct. '14			Can. Consolidated Rubber, com	91	91	91	84	99¾	90	100	Mar. 26											90
	3,000,000			7	7	31st Dec.	q. 1¾	[illegible]	" " pref	101	100	97	91	99¾	95	98	Sept. 13	97	Feb. 26									97
8,000,000			4,466,293	8	8	2nd Jan.	q. 2	7.76	Canadian General Electric, com	128	90¼	121	109	115⅛	99¾	[illegible]	Dec. 21	99½	Jan. 2	102		104⅛	103	104	103⅛	103¼	15	99¾
[illegible]	2,000,000				7	2nd Jan.	s. [illegible]	6 36	" " pref	110½	110	112	110	106	94½	100	Apr. 30											
		477,000	305,830						Carriage Factories, Limited, com	53½	35½	44	29¾	25	9¾	17	July 26	15	July 27									
	1,200,800					15th July '15	q. 1¾	10.00	" " pref	81	75	75	60															15
565,000		61,612	90,802	4		1st Oct. '16	q. 2	16.00	City Dairy, com	100	98	98	89	30	30	50	Oct. 16	30	Mar. 22									58
	700,000			5½		2nd Jan.	q. 1¾	8.33	" pref.	102	98	100½	92	70	60	87	May 30	60	Feb. 11									30
6,500,000			1,679,591	8+12	9½+2	15th Nov.	q. 2	6.50	Dominion Bridge Co.	230	107	231½	160	170	125	128	Sept. 9	123	May 18									60
794,000		1,771,175	1,140,339			1st Apr. '14	q.		Dominion Canners, com	35	31	22	15	26	19	43	May 22	20	Mar. 9			[illegible]		38¼	34	35⅝	210	123
	2,290,600				7	2nd Jan.	q. 1¾	9.58	" pref			65	61⅛	78	65	81	Mar 21	65	May 14									23¾
37,097,700	7,000,000	21,206,777	15,562,286		4½	1st Jan.	q. 1½	8.06	Dominion Steel Corporation, com	51	19½	82	43	71¼	50¾	65	Aug. 26	53	Jan. 5	52⅞	52	62½	61⅞	62⅞	61½	62⅛	861	50¾
	5,000,000	13,861,880		7	7	1st Oct.	s. 3½	7.52	Dominion Iron and Steel, pref.	96	71	105	90	95	87⅛	98	Sept. 4	88	Jan. 4	88				93½	93½	93½	25	88
15,000,000	3,000,000	6,162,000		7	7	1st Nov.	q. 1¾	7.44	Dominion Coal, pref	101	98	99	93	96⅛	85	95	June 24	94¼	Jan. 9				94¼	94	94½	94⅛	24	94½
5,000,000		3,267,500	2,189,194	6	7	2nd Jan.	q. 2	8.24	Dominion Textile, com	77	64	90½	74⅛	89	76½	100½	Dec. 2	80¾	Jan. 3	80¾				100½	99⅛	100⅛	275	80¾
	1,940,600			7	7	15th Oct.	q. 1¾	7.00	" pref	103	101	105	101	105	99⅛	102	Sept. 3	100	Jan. 7									100
2,250,500		1,150,000	520,221						Goodwins, Limited, com	28	26	40	40			15	Sept. 26	11	Sept. 25									
	1,750,000					2nd July '14	q. 1¾		" pref			75	40	45	45	45	Dec. 9							45	45	45	25	45
747,500		236,000	1,141,337	6	6	2nd Jan.	q. 1½	6.00	Goulds Manufacturing Co., com					100	100	100	Dec. 6											10[illegible]
	747,500			7	7	2nd Jan.	q. 1¾	7 00	" " pref					100	100	100	Aug. 19											10[illegible]
6,265,005	500,000		905,614						International Petroleum					15.30	11.60	18 25	Dec. 26	13 00	Feb. 1					20.50	17.75	17.75	445	
40,000,000		8,294,000	4,541						Lake Superior Corporation	9⅞	9⅞			24	10⅛													
2,100,000		900,000	831,883	8	8	2nd Dec.	q. 2½	6.62	Lake of Woods Milling Co., com	137	129	136¼	122	130	120	162	Sept. 26	120⅛	Jan. 17	120⅛				169	154	165¼	135	120⅛
	1,500,000			7	7	2nd Dec.	q. 1¾	6 79	" " pref	122	120	129	116	116	116	110	Apr 3	100	June 25									
9,600,000		656,443	1,783,458	8	10	2nd Jan.	q. 3	5.20	Laurentide Co.	198	160	217⅛	176	195	152	194¾	Dec. 19	152	Jan. 3	152				198	192	197	83	152
1,750,000	1,300,000	1,038,600	365,852		2	10th Oct.	2		Lyall Construction Co., com			93	25	80	53	85½	Sept. 25	62	Jan. 2	62								62
3,000,000	1,766,800		190,908			30th June '13			A. Macdonald Co., com	14	7	19½	10	15½	8	23	Oct. 2	13⅛	Jan. 4			23	21	22	21	22	50	13¾
2,500,000			1,572,508	9	22½	18th Oct.	q. 2½+1	7.35	Maple Leaf Milling, com	68	30½	122	100	115	90	140	Nov. 15	91	Jan. 18			137	13⅜	137⅛	134	136¼	2,225	86
	2,500,000			7	7	18th Oct.	q. 1¾	7.14	" " pref	98	88	108	93	103	91¾	98½	Dec. 2	91½	Jan. 7	93		98¼	98	98¾	98	98¾	35	90¼
2,949,600		779,163	442,212	4	4	14th Dec.	q. 1	6.89	Montreal Cottons, Ltd., com	56	51	63	50	58⅛	49	61	Sept. 20	50	May 7									50
	3,000,000			7	7	14th Dec.	q. 1¾	7 00	" " pref	100⅛	99	115	99	103	99	100	Mar. 19	99½	Jan. 21			100		100	100	100	2	99½
1,275,000			527,504			1st Nov. '13	q. 1½	13.04	Monarch Knitting Co., com	27	25	40	25½	40	30	46	Nov. 21	39	Feb. 12									30
	750,000			7	7	1st Nov.	q. 1¾	9 21	" pref	82	82	83	80	81	80	80½	Oct. 16	75	Jan. 14			78	76	76	76	76	1	78
2,000,000			2,331,209						National Steel Car, com					21	5	10½	Mar. 12	5	Dec. 23	7½	6	6		5¾	5½	5¼	80	
	1,500,000			3½		15th Jan.	q. 1¾		" pref					78	17	40	Sept. 16	20	Jan. 4	19	81	21	19	23	19	19	130	
15,000,000		11,21[illegible],823	3,730,092		5+20	15th Oct.	s. 2½	7.57	Nova Scotia Steel, com	107	45¾	154½	93¾	128	66	71¼	Aug. 3	63½	Mar. 20									63⅛
	1,000,000			12	8	2nd Jan.	q. 2	7.84	" pref.	125	110	115	110	112	105	103	June 27	100	Jan. 25									
2,500,000		2,350,000	190,178	8+4	10½15	2nd Jan.	q. 3	5.71	Ogilvie Flour, com	144	107	152	127⅞	158	137	210	Dec. 26	140	Jan. 17	145	140			220	205	220	31	140
	2,000,000			7	7	2nd Dec.	q. 1¾	6.54	" pref.	120	113	116	44⅛	115	107	111	May 13	100	Jan. 30					110	110	110	10	
750,000		575,100	183,497						Ont. Steel Products, com			45	19	34	18	35	July 27	22½	Jan. 22									22¾
	750,000			5½	7+1¼	15th Nov.	q. 1¾+½	8.97	" pref			91⅛	73	74	74	78	July 27	73	July 20									
650,000			38,026	2	2	1st July	s. 1	5.[illegible]8	Pacific-Burt Co., com	31	28	29	20	40	28	34	July 26											34
	650,000			7	7	1st Oct.	q. 1¾	9.09	" pref	85	80	83¾	77½	82	79	77¼	Mar. 4											77¾
600,000			644,594	8+3	8+5	16th Sept.	4+2	7.75	Paton Manufacturing Co.					130	124	124	June 28											124⅞
2,150,600		2,000,000	2,807,857	4+1	4+1	15th Nov.	q. 1½	7.67	Penmans, Limited, com	62	49	78	60	73⅛	64	84	Oct. 7	65	Jan. 2									65
	1,075,000			6	6	1st Nov.	q. 1½	7.05	" pref	83	82	90	82	86	81⅛	85¾	Nov. 22	81½	Sept. 16	81⅞			78	85	85	85	10	81⅞
5,000,000		5,923,764	2,220,239	6	6	2nd Jan.	2	5.44	Price Bros.			132	60⅛	134	115	151	Oct. 24	120	Feb. 8									120⅛
4,500,000		2,036,600	1,251,813	3½+1	6+4	15th Nov.	q. 2½	8.54	Riordan Pulp and Paper, com			150	59	127	106	123	May 6	117¼	Feb. 1					117¼	117¼	117¼	50	114⅛
	1,000,000			7	7	31st Dec.	q. 1¾	7.36	" pref					95	90	97	Jan. 22	92½	Feb. 20									90½
1,500,000		437,000	503,082	6	1½	1st Apr.	q. 1½		William A. Rogers, Ltd., com	103	96	99	85	80	40													50
	900,000			7	7	1st Jan.	q. 1¾	7.77	" pref	99	99	99	87	92	90													60
800,000			47,581		7	1st Aug.	q. 1¾	8.33	Russell Motor Car, com	50	10	114	32	92	50	90⅞	Oct. 1	55	Mar. 23									50
	1,200,000				29¾	1st Nov.	q. 1¾	9.33	" pref	76	25	139	66	122	72	91⅛	Oct. 1	68⅝	Feb. 8									68⅝
1,500,000		574,500	129,711						Sawyer-Massey Co., com	33	25	30	20	24	8	13	Dec. 18	10	Mar. 12									
	1,500,000					2nd June '14	q. 1¾		" pref	76	69	134½	58	41	40	40	Jan. 5											40
4,000,000		1,873,200	1,746,698						Sherwin-Williams, com	57½	55	99½	53½	60	56	60	Feb. 8											60
	3,287,000			7	7	30th Dec.	q. 1¾	7.07	" pref	100	98¼	100	97½	100	98	100	Apr. 4	99	Mar. 5									95
8,750,000			377,914	6+1	6+2	1st Jan.	q. 2	7.14	Shredded Wheat, com	102	92	140⅛	102¼	137¾	112	112	Sept. 19	100	Aug. 28									109⅛
	1,250,000			6	6	1st Jan.	q. 1½	6.57	" pref	99	93	120	95	95	95	92	Sept. 30	87	May 4									
1,062,500		300,000	114,473		4				Smith Paper Mills, Com.					74½	66	66	Oct. 24	65	Feb. 20									
	475,000				7	15th Oct.	q. 1¾	8.97	" Pref.							80	Nov. 22	73¼	July 10									65
8,000,000		10,332,113	1,071,301						Spanish River Pulp Mills, com	9⅝	3	24¼	3½	19	12⅛	20	Oct. 3	12¼	Jan. 31			19	18	18	17⅞	17⅞	379	50
	5,699,100					15th July '13	q. 1¾	10.93	" pref	35	35	70	29	59¼	47	64½	Dec. 18	50	Feb. 1					64¼	64	64	906	
11,500,000		8,766,147	12,458,762	4	6	1st Nov.	q. 1½	9.52	Steel Co. of Canada, com	48	8⅛	88⅛	34⅞	71½	47⅓	74¼	Aug. 26	49¾	Jan. 15	49½		64½	63¾	64⅛	62¾	64¼	1,280	48
	6,496,300			10½	7	1st Nov.	q. 1¾	7.36	" pref	95	69	107¼	82½	100½	84½	98	Sept. 3	84	Jan. 18	85			94¼	95	95	95	25	82¾
1,250,000	3,602,700	1,111,736	154,402			1st Oct.	3½		Standard Chemical, pfd							62½	Oct. 18											
1,200,000		252,500	138,156			1st Nov.	1+1½	4,30	St. Lawrence Flour, com							96¾	Oct. 4	50	Mar. 14					95	94⅞	96	536	
	575,000					1st Nov.	1¾		" pref					56	49	85	Aug. 9	80	Mar. 5									
650,000			149,379						Tooke Bros., com	18	16	25	16	19	19	30	Sept. 6	15	July 5	19								55
	585,000			8¾	8¾	13th Dec.	q. 1¾	8.53	" pref			83	78	79	70	77	Sept. 6			72¼								19
750,000		500,000	254,08[illegible]	5	6+4	2nd Jan.	s. 3+1	8.69	Toronto Paper Co.	45	25	96	44	90	72	72⅜	Aug. 12	68	June 21									70⅛
2,500,000			337,933						Tuckett Tobacco, com	29¼	29	25	23½	22⅛	17	24¼	Dec. 24	18½	Aug. 13			25	24	24	24	21	25	18⅛
	2,000,000			7		15th Oct.	q. 1¾	9.58	" pref.	90	90	90	75	83⅛	78	72¾	Sept. 5											80
1,750,000		911,000	238,660			2nd Jan.	1½	8.47	Wabasso Cotton							61	Nov. 22	21	April 2									
5,000,000		3,430,000	864,023						Wayagamack, com	26½	26			97	50	53	Nov. 29	50	Jan. 30					58	58	58	25	
7,718,600		470,000	1,303,540		7	2nd Dec.	q. 1¾	8.43	Woods Manufacturing Co., Ltd. com.	15	20	65	33	61	44	98	Oct. 4	57¼	Mar. 27					55	50	54¾	3.336	50
	1,546,500			15¾	7	1st Oct.	q. 1¾	8.13	" pref	45	20	101	84	86	80	86	Aug. 23											53¼

LOAN, INSURANCE AND FINANCIAL STOCKS AND MISCELLANEOUS

Common Stock outstanding	Bond Pref'd Stock or Debentures Outstanding and Int.	Reserve and Contingent P. & L.	Dividends 1917	Last Dividend Date	Per cent.	LOAN AND TRUST	Range for Year 1916 High	Low	Range for year 1917 High	Low	Latest Price Ask	Bid	Last Sale
1,205,090	3,932,161	1,294,157	9	2nd Jan.	q. 2¼	Canada Landed	163	157¼	160	150	154		148¾
1,000,000	19,946,571	5,447,977	10	2nd Jan.	q. 2½	Canada Permanent	183	168⅝	173	162½		167½	168
1,750,000	5,519,687	1,8[illegible]3,[illegible]63	10	2nd Jan.	q. 2½	Central Canada					190		
20,000	2,994,240	419,646	6	2nd Jan.	s. 3	Col. Investment, pref.	76	70	77	68	74		80
934,848	1,112,672	263,925	5	2nd Jan.	s. ½	Dominion Savings	80	80				81	75
1,412,566	2,221,508	827,258	5	1st July	Def.	Great West Per.							89½
2,200,000	2,276,590	1,163,994	8	2nd Jan.	s. 4	Hamilton Provident	140	138	142	137		137	133
500,000	11,865,047	3,186,669	12	2nd Jan.	q. 3	Huron and Erie	214	209	211	205	210	208	190
[illegible]000,000	1,914,936	837,232	8	2nd Jan.	s. 4	Landed Banking	145	144	143	143		145	140
[illegible]250,000	2,700,984	871,997	8	2nd Jan.	q. 2	London and Can. Loan	135	132	132	128½	128	127½	12[illegible]
887,398	1,722,889	341,924	6+1	2nd Jan.	q. 1½+¼	London Loan and Sav.							
[illegible]600,000	350,626	744,530	10+1	15th Dec.	q. 2½	Montreal L. & Mtg. Co.	175	160	165	162½			152
[illegible]500,000	7,717,790	1,622,398	10	1st Jan.	q. 2½	National Trust	210	210	212	207½		210	207½
[illegible]750,000	3,546,486	2,000,703	9	2nd Jan.	q. 2¼	Ont. Loan and Deb.	175	169	175	175		175	160
[illegible]500,900	643,698	262,754	7	2nd July	s. 3½	Real Estate Loan		205½					103
[illegible]500,000	33,203,713	2,051,443	10	2nd Jan.	q. 2½+1	Toronto Gen. Trusts	210	1[illegible]4	215	200	207		204
724,550	1,774,451	627,871	8	2nd Jan.	q. 2	Toronto Mortgage Co.	140		140	136		136	134
[illegible]000,000	1,931,430	1,086,701	10	2nd Jan.	q. 2¼	Toronto Savings							185
[illegible]000,000	7,661,882	465,702	8½	2nd Jan.	q. 2½	Union Trust							17[illegible]
[illegible]000,009		7,231,192	15	2nd Jan.	q. 2	Canada Life Assurance			190	19			[illegible]50

Common Stock Outstanding	Bonds, Preferred Stock or D'b'ntures Outstanding	Reserve and Contingent P. & L.	Dividend 1917	Last Dividend Date	Per cent.	MISCELLANEOUS COMPANIES	Range for year 1916 High	Low	Range for Year 1917 High	Low	Latest Price Ask	Bid
[illegible].000.000		648,892				Asbestos Corporation, com.	24	23	21	12	46	45¾
	7,000,000		4	15th Oct.	1½	" " pref	60	53	53	42	62¾	62½
1,500,000		1,[illegible]88,183	9	1st Oct.	s. 4	Canadian N. Prairie Lands						
800,000	390,000	451,006	8	1st Oct.	q. 2	Canadian Salt	140	124	136	128		127¾
59,109		1,757,277	$[illegible]	23rd Dec.	$5	Can North-West Land						
100,000		2,374,727	20	31st Sept.	q. 5	Confederation Life A	350	330	330	330	375	
6,212,666		501,345		2nd Dec.	1½	Crows Nest Pass Coal	83	71	70	50	55	
1,000,000		292,230	6	15th Oct.	q. 1½	Dominion Telegraph	90	86	90	89	80	
3,000,000	12,669,500					Electrical Dev., pref.						
450,000	b 5,312,762	2,172,108	10	1st Oct.	q. 2½	Imperial Life Assur.						
500,000	460,400	785,511	7	1st Mar. '12	s 3½	Intercolonial Coal, pref					80	
3,000,000		133,458		1st Mar. '14	1	Intern. Coal and Coke			25	25		
2,196,551	1,922,500	682,424	7	15th Nov.	q. 2	Kaministiquia Power					120	
637,480	b 595,000	224,441	3	2nd July	s. 3	London Street						
2,000,000		119,740	8+1 cts	15th Oct.	q. 2	Montreal Telegraph	136	135	138	135		120
925,000	b1,123,000					Nia., St. Kath. and Tor.						
1,164,000	b 741,000	286,076	3¾	10th July '15	q. 1¼	Trinidad Electric						
2,124,700	b1,504,621	841,651	8	16th Dec.	q. 2	W. Can. Flour Mills	[illegible]	102				
800,000	b 600,000	605,068	5	1st Oct.	q. 1¼	West India Electric			77	77		

NOTE—s—means semi-annually; q—quarterly; I—interim; L—Profit and Loss; +—indicates bonus; 2—means bond; P—preferred stock; d—debentures; *—less than ten shares; sb—stock bonus; A—$500 per share return of cap[ital] paid February 1st, September 25th, 1912; Feb. 1st and Nov. 17th, 1913, pus December 1, 1914.

The Bank of Toronto

ANNUAL MEETING

The annual general meeting of shareholders of this Bank will be held at the Banking House of the Institution, corner of King and Bay Streets, Toronto, on Wednesday, the eighth day of January next, the chair to be taken at noon.

THOS. F. HOW,
General Manager.

The Bank of Toronto,
Toronto, December 2nd, 1918.

When selecting a Trust Company as an Executor, choose one whose fixed policy is to give

FINANCIAL ASSISTANCE

to Estates being administered by it.

CAPITAL ISSUED AND SUBSCRIBED $1,171,700.00
PAID-UP CAPITAL AND RESERVE 860,225.00

The Imperial Canadian Trust Co.

EXECUTOR, ADMINISTRATOR, ASSIGNEE, TRUSTEE, ETC.

HEAD OFFICE: WINNIPEG
BRANCHES: SASKATOON, REGINA, EDMONTON, CALGARY, VANCOUVER AND VICTORIA

Mercantile Trust Company of Canada

LIMITED
Hamilton, - - - Canada

Acts as Executor, Administrator and Trustee. Administers Real Estate.
We have special facilities for handling property in the Niagara Peninsula.

Cyrus A. Birge, *President* S. C. Macdonald, *Manager*

Tested by Time, Panic and War

Mortgage Corporation Debentures do not fluctuate in value. Neither time, panic nor war affect them.

Stocks drop. Some disappear altogether. But through all the excitement and strife of war, Standard Reliance Debentures have stood the test for security of principal and permanency of interest.

A $100 Standard Reliance Mortgage Debenture is still worth a $100 and pays 5½% interest in cash on the day it is due, at your local bank.

Mortgage Corporation Debentures

The debentures are issued in amounts of $100 and upwards, and are repayable at a fixed period to suit your convenience.

Thousands of people have invested their savings in these debentures without the loss of one dollar invested.

Write to-day for our interesting booklet about "PROFITS FROM SAVINGS."

Paid up Capital and Surplus Funds - - $3,362,378.63

STANDARD RELIANCE MORTGAGE CORPORATION
Head Office, 82-88 King St. E. Toronto

Branch Offices:
AYR BROCKVILLE CHATHAM
ELMIRA NEW HAMBURG WOODSTOCK

LLOYDS BANK LIMITED.

Head Office: 71, LOMBARD ST., LONDON, E.C. 3.

CAPITAL SUBSCRIBED		£31,304,200
CAPITAL PAID UP	-	5,008,672
RESERVE FUND	-	4,000,000
DEPOSITS, &c. (Dec., 1917)		174,697,945
ADVANCES, &c.	do.	61,466,709

THIS BANK HAS NEARLY 900 OFFICES IN ENGLAND AND WALES.
Colonial and Foreign Department: 17, Cornhill, London, E.C. 3.
London Agency of the IMPERIAL BANK OF CANADA.
The Agency of Foreign & Colonial Banks is undertaken.
French Auxiliary:
LLOYDS BANK (FRANCE) AND NATIONAL PROVINCIAL BANK (FRANCE) LIMITED.

GEO. O. MERSON & COMPANY

CHARTERED ACCOUNTANTS
FACTORY PRODUCTION RECORDS AND COSTS ACCOUNTING
LUMSDEN BUILDING
TORONTO

MONEY, BANKING AND EXCHANGE

BANK CLEARINGS ARE AGAIN AHEAD OF LAST YEAR

The Gain in the East is 27 Per Cent., and in the West 12 Per Cent.

THREE CITIES DECLINE

Moose Jaw Reports Largest Percentage Gain — Increase For Dominion is 22.5% — Toronto Gains 24%

For the week ending Thursday last bank clearings from seventeen cities reporting show a total of $266,289,692 against $217,427,721 for the corresponding period last year, an increase of $48,861,971 or 22.5 per cent. Only three cities report a falling off, these being Hamilton, Peterboro and Regina. Montreal with clearings amounting to $99,332,264 shows an increase of $24,435,689 or 32.6 per cent., and Toronto with a total of $73,040,355 shows a gain of $14,159,759 or 24 per cent. In the West Winnipeg shows an increase of $5,273,098 or 12 per cent., while Moose Jaw shows the largest percentage gain. The total gain in the West is $8,628,493 and in the East $40,233,478. Comparative figures follow:

WEEKLY BANK CLEARINGS
(In comparison with same month last year)

Eastern Cities

	Jan. 2, 1919		Change	%
Montreal	$ 99,332,264	+	$24,435,689	32.6
Toronto	73,040,355	+	14,159,759	24.0
Hamilton	4,603,304	—	105,126	2.2
Quebec	4,665,682	+	548,046	13.3
London	2,710,164	+	353,106	15.0
St. John	2,487,457	+	499,207	25.2
Brantford	1,260,199	+	284,031	29.1
Peterboro	908,830	—	79,886	8.1
Sherbrooke	816,742	+	188,652	20.1
Total, East	$ 189,824,997	+	$40,233,478	27.0
Halifax	4,135,647			

Western Cities

	Jan. 2, 1919		Change	%
Winnipeg	$ 48,948,302	+	$ 5,273,098	12.0
Vancouver	10,352,478	+	2,210,105	27.1
Calgary	6,771,880	+	118,271	1.7
Edmonton	3,711,022	+	528,182	16.6
Regina	3,444,046	—	253,475	6.8
Moose Jaw	1,990,573	+	495,032	33.2
Lethbridge	777,870	+	147,085	23.3
N. Westminster	468,524	+	110,195	30.8
Total, West	$ 76,464,695	+	$ 8,628,493	12.1
Grand Total	$ 266,289,692	+	$48,8[illegible]	22.5
Medicine Hat	256,116			

Calgary, Port William, Brandon, Lethbridge and Medicine Hat were the only cities to show a falling off in bank clearings for the month of December, as compared with the figures for December a year ago. For the month the total was $1,508,275,581 as compared with $1,082,559,904 for the same month in 1917, a gain of $425,715,677 or 39.3 per cent. The total in the East was $1,041,469,501, a gain of $352,767,552 or 51.2 per cent., and in the West, $466,806,080, an increase of $72,948,125 or 18.5 per cent. Montreal reported the largest percentage gain with clearings at $558,226,971 a gain of 71.3 per cent. For the year, the clearings totalled $13,621,796,492, a gain over 1917 of $1,085,389,385 or 8.6 per cent. Following are comparative figures:

MONTHLY BANK CLEARINGS
(In comparison with the same month last year)

Eastern Cities

	Dec., 1918.		Change.	%
Montreal	$ 558,226,971	+	$232,531,007	71.3
Toronto	335,283,840	+	82,933,196	32.8
Ottawa	42,798,886	+	16,172,686	60.7
Hamilton	22,689,947	+	795,573	3.6
Quebec	24,918,408	+	6,123,872	32.7
Halifax	19,406,105	+	7,174,682	58.8
London	12,596,173	+	2,504,902	24.8
St. John	10,133,912	+	1,804,494	21.6
Brantford	4,559,418	+	690,880	17.8
Peterboro	3,887,054	+	699,891	22.0
Sherbrooke	3,711,309	+	939,121	33.8
Kitchener	3,257,478	+	397,248	13.8
Total East	$1,041,469,501	+	$352,767,552	51.2
Windsor	5,054,021			

Western Cities

	Dec., 1918.		Change.	%
Winnipeg	$ 298,131,646	+	$ 52,375,862	21.3
Vancouver	53,721,900	+	15,612,142	40.9
Calgary	32,788,874	—	3,027,645	8.4
Edmonton	17,172,178	+	2,406,833	16.3
Victoria	9,649,214	+	1,493,221	18.3
Regina	19,562,144	+	1,998,136	11.4
Saskatoon	9,550,949	+	782,006	8.9
Moose Jaw	10,224,794	+	1,315,811	14.7
Ft. William	4,060,821	—	154,495	3.6
Brandon	3,467,955	—	10,408	.2
Lethbridge	4,008,334	—	27,245	.6
N. Westminster	2,262,279	+	593,148	35.7
Medicine Hat	2,204,992	—	409,241	15.6
Total West	$466,806,080	+	$ 72,948,125	18.5
Yr. to date	$13,621,796,492	+	$1,085,389,385	8.6
Grand Total	$1,508,275,581	+	$ 425,715,677	39.3

EXCHANGE

New York funds again touched a premium of 2 per cent. yesterday. The demand became quite strong after the holiday and, the supply being still light the rate was quickly advanced. It remains to be seen whether the high premium will bring out funds in sufficient quantity to cause a recession. The course of the market has been as follows:—

Dec. 27.—Opening at 1 19-32, funds firmed to 1 21-32 and closed at 1 5-8

Dec. 28.—Opening at 1 21-32, funds reacted 1 5-8 to the seller.

Dec. 30.—Funds opened at 1 5-8 to the buyer with no bids, and sold down to 1 9-16 to the seller.

Dec. 31.—Funds opened nominally at 1 19-32, advanced to 1 5-8 to the seller, then to 1 21-32 to the buyer, 1 3-4 to the seller, and closed at 1 25-32.

Jan. 2.—Funds opened at 1 3-4 to the buyer and were 1 13-16 at the close.

Jan. 3.—Opening at 1 7-8 bid, funds advanced to 2 per cent. to the seller.

Demand sterling has advanced during the week from 4.75¾ to 4.7585, while cables have gone up from 4.76 9-16 to 4.7655.

Francs have been practically unchanged at 5.45½ for cheques and 5.44⅞ for cables.

BANK BRANCHES

According to Houston's Bank Directory for December there were 58 new branches of the Canadian chartered banks opened during the month of November and four branches closed. The total number of branches at the end of November amounted to 3,429; 3.308 of these being situated in Canada, 27 in Newfoundland and 94 in foreign lands.

NOVA SCOTIA

R. G. Wallace, for the past two years manager of the Bank of Nova Scotia at Hamilton, has been appointed manager of the branch at Ottawa. Before his departure from Hamilton Mr. Wallace was the recipient, from a few intimate friends of a token of their esteem, which was not only a happy surprise, but a most seasonable one. The gift of a fur-lined coat to Mr. Wallace was accompanied by the compliments of the season, and an appropriate travelling leather bag for Mrs. Wallace.

MERCHANTS

In connection with the increase in the regular dividend of the Merchants Bank of Canada to 11 per cent., it is noted that shareholders will receive a total of 11½ per cent. for the current fiscal year. A few weeks ago the directors declared a bonus of 1 per cent. out of accumulated profits. With the higher regular rate in force for half the bank's current year payments to shareholders will amount to 10½ per cent. in regular and to 1 per cent. in extra dividends.

DOMINION

Mr. C. A. Bogert, General Manager of the Dominion Bank, received a cablegram recently announcing the death of Mr. J. Haydn Horsey, late manager of the London, England, branch of the institution. Mr. Horsey had been in ill health for some time and his death was not unexpected. After a long and honorable career [illegible] bank, during which he occupied many important [illegible] was appointed to the management of the Montreal branch in 1906, and toward the end of 1912 he was sent to represent the bank as manager in London, Eng. Mr. Horsey spent all his business life in the bank's service, having first entered the institution in 1875.

S. L. Jones has been appointed manager of the branch to succeed Mr. Horsey. Mr. Jones entered the Dominion Bank in 1887, and the varied experience which he has had in filling many important posts in the bank's service has well fitted him to take charge of the affairs of the institution at the London office, where he has been assisant manager since March, 1912.

Mr. Jones is still a comparatively young man, having been born in Oshawa in the year 1871, and is the son of the late Mr. C. A. Jones, barrister, of that town.

STERLING

W. Kerr, who was in the Flying Corps, has rejoined the staff of the Sterling Bank, and has been appointed manager at Kinmount, Ont.

N. L. McNaught has rejoined the staff of the Sterling Bank and has been appointed manager of the branch at Fenelon Falls, Ont. Mr. McNaught was in the Flying Corps.

T. E. Fletcher, manager of the Regina branch of the Sterling Bank, has been appointed manager of the main office of the Bank in Toronto. Mr. Fletcher will be succeeded at Regina by Major H. T. Complin.

BANK OF ENGLAND

London, Jan. 2.—The weekly statement of the Bank of England shows the following changes:

Total reserve, increased	£ 982,000
Circulation, decreased	117,000
Bullion, increased	865,673
Other securities, increased	14,332,000
Public deposits, increased	2,663,000
Other deposits, increased	65,857,000
Notes reserve, increased	923,000
Government securities, increased	53,198,000

The proportion of the bank's reserve to liability this week is 11.70 per cent.; Rate of discount. 5 per cent.

UNION BANK IN ORIENT

An Important Announcement Made By Officials

Announcement is made at Winnipeg by President John Galt and General Manager S. B. Shaw of the Union Bank of Canada on their return from New York. A Commission consisting of Gilbert Thorne, First Vice-President of the National Park Bank, and Geo. Wilson, First Agent in New York of the Union Bank of Canada, was sent to Japan and the Far East to study the possibilities of after-war trade with Canada and the United States. As a result of this Commission's report the directors of the National Park Bank and Union Bank have decided to form a new subsidiary banking corporation which will represent both banking institutions in the Far East and on the Pacific coast and give to Canada and the United States increased facilities for taking care of the export and import trade now fast developing in the Far East. Branches of this new corporation will shortly be opened in Yokohama, Seattle and San Francisco.

THE BANK STOCKS

Strength and Activity Has Continued Throughout the Week

The strength and activity of the bank stocks has continued throughout the week. With practically all members of the group recent advances have been well maintained, and with a number there have been further gains of a substantial character. The Bank of Hochelaga sold at 143 as compared with 140 a fortnight before. The Bank of Nova Scotia sold as high as 255 compared with a last price of 251½. The Bank of Ottawa, after selling up to 205 last week, dropped to 202 and then went up again to 206. The Merchants' Bank gained 1 point to 181.

	Last Dec. 26	Sales Jan. 2	Change
Commerce	201½	201	— ½
Dominion	208	*208	.
Hamilton	*188⅛	*188⅛	.
Hochelaga	*140	143	+ 3
Imperial	202	203	+ 1
Merchants	180	181	+ 1
Molsons	*179⅞	179⅞	.
Montreal	216	216	.
Nova Scotia	*251½	255	+ 3½
Royal	213	214	+ 1
Standard	204¼	208⅜	— 4⅛
Toronto	193½	194	+ ½
Union	160	160	.

*No sales this week.

MATURITIES NOW FACING CANADA IN UNITED STATES

Continued from page 1

Algoma Eastern Ry. 6s. "E"	20,000
	$367,000
June—	
C.N.R. 5s. "H12"	40,000
C.N.R. 5 Sec. Sterling notes £450,000	
	$40,000
July—	
Atlantic Sugar Refineries, Ltd., First 6s.	50,000
C.P.R. 4½ "T"	470,000
C.N.R. Equip. Tr. 6s.	750,000
Price Bros. & Co., Ltd., 6s.	100,000
Rainy River Pulp & Paper Co.	25,000
Steel of Canada Ltd. 6% Con. Promissory notes	[illegible]
Toronto Electric Light Co. 3-yr. First 5s.	1,000,000
Vancouver Lumber Co. First 6s.	37,500
G.T.R. Canada Second Equip. Mtd. 6s. £372,900	
City of Toronto (July 1)	130,000
City of Toronto (July 1)	278,000
	2,840,500
August—	
Abitibi Power & Paper Co. Ltd., 3-yr. Con. notes	1,500,000
Canada West Coast Nav. First 6s. "E"	10,000
C. N. R. Imperial Rolling Stock 4½ "A1"	184,000
C.N.R. Equip. Tr. 5% Ctfs. "L1"	66,000
G.T.R. Ry. Co. of Canada Equip. 5% notes "D"	125,000
Smart-Woods Ltd. First Serial 6s.	30,000
T. H. & B. Ry. 4½% Equip. notes "A"	75,000
Dominion of Canada 5% 2-yr. notes	100,000,000
	$101,990,000
September—	
C. N. R. Imperial Rolling Stock 4½% "B1"	75,000
C. N. R. do., "E1"	105,000
C. N. R. Equip. Tru. 4½% "F1"	210,000
C. N. R. do., "G1"	55,000
C. N. R. Imperial Rolling Stock "T"	150,000
Southam Press First Serial 6s.	15,000
	$610,000
October—	
Canada West Coast Nav. Co. Ltd. First 6s "F"	10,000
C. N. R. Equip. Tr. 4½% "C1"	110,000
C. N. R. Imperial Rolling Stock 4½% "D1"	165,000
C. N. R. Equip. Tr. 5% Ctfs. "K1"	110,000
Canadian Puget Sound Lumber Co. First & Ref. 6s.	200,000
Donacona Paper Co., Ltd., Coll. Trust Serial notes	100,000
Fort William Coal Dock Co. Ltd., First 6 s.	30,000
Toronto & York Radial Ry. First 5s.	[illegible],640,000
Province of Ontario (Oct. 1)	3,000,000
	$5,365,000
November—	
Brazilian Traction Light & Power 3-yr. 6% Sec. notes	7,000,000
C. N. R. Imperial Rolling Stock "U"	50,000
C. N. R. Imperial Rolling Stock "V"	300,000
Dom. Forge & Stamping Co. First Serial 6s.	30,000
G. T. R. of Canada Equip. Tr. 4½ "A"	197,000
G. T. R. of Canada, do., "B"	168,000
G. T. R. of Canada, do., "C"	112,000
Interlake Steamship Co. First 6s.	250,000
	$8,107,000
December—	
C. N. R. Equip. Tr. 5% Ctfs. "H1"	40,000
G. T. R. of Canada	
Whipple Car Co. First Real Estate & Coll. Trust 6s.	30,000
Intercolonial Coal Mining Co. 5-yr. 5% debs.	100,000
Shawinigan Water & Power 6% Con. notes	4,500,000
	$4,670,000

Robert Cassels G. H. Brown

Cassels, Browne & Co.

Members Toronto Stock Exchange

318 Dominion Bank Building
TORONTO

Direct Private Wire to New York, Chicago and Washington

Canada Permanent Mortgage Corporation

Toronto Street :: TORONTO
Established 1855

Capital (paid-up)	$ 6,000,000.00
Reserve Fund (earned)	5,250,000.00
Unappropriated Profits	197,977.41
Capital and Surplus	$11,447,977.41
Investments	31,557,661.82

A TRUSTEE INVESTMENT

The Debentures issued by this Corporation are a high-class security in which Executors and Trustees are authorized by law to invest Trust Funds. Trustees may have a Debenture for the exact amount of the Trust when desired. Enquire about them.

ACCEPTED BY THE CANADIAN GOVERNMENT

Canada Permanent Debentures are accepted by the Canadian Government as a portion of the deposits required to be made by Insurance Companies transacting business in Canada. British, Canadian and United States Fire and Life Insurance Companies, Benevolent and Fraternal Associations, etc., have for many years been investors in the Debentures of this Corporation. At present these institutions are owners of Canada Permanent Debentures to an amount exceeding ONE AND A HALF MILLION DOLLARS.

VICTORY 5½% BONDS

PRICES:
1923—100½ and Interest
1933—101 and Interest

We advise the purchase of these Bonds. They
Are Absolutely secure.
Return good income.
Are Saleable.
Are Tax Exempt.

Your orders will have our prompt and courteous attention.

JOHN STARK & Co.
ESTABLISHED 1870 MEMBERS Toronto Stock Exchange
ROYAL BANK BUILDING - TORONTO

For the well groomed man

TEXEND BRACES

Finer than the imported

The Dominion Suspender Co.
Limited
NIAGARA FALLS, ONT.

GOVERNMENT MUNICIPAL AND CORPORATION BONDS

A Word to the Wise—

Victory Bonds may still be purchased, even though public subscription has closed. Some holders of Victory Bonds have to sell to provide for business and other requirements, and these bonds are coming upon the market. This spells OPPORTUNITY for those who appreciate the unparalleled value of this security.

Please let us know your requirements as only a limited number of bonds are available day by day.

(5)

HANSON BROS.
ESTABLISHED 1883
164 ST. JAMES STREET MONTREAL

Route Your Shipments
CANADIAN NORTHERN

NEWS AND VIEWS FOR MANAGERS

MEETING CLIENT ON HIS INDIVIDUAL BUSINESS GROUND

Knowledge of Customers' Affairs is of Great Advantage

A "TIP" ON GASOLINE

One Bank Manager Offered a Partnership in a Hardware Business Because of "Book" Knowledge of the Trade

When speaking of his methods in successfully developing the business of his branch, particularly in the direction of industrial accounts, a manager in a Western Ontario manufacturing city looked contemplatively at his desk and remarked: "That is my clearing house. If I can get the bank's customers to tell me candidly and without reserve about the state of their business I feel then in a position to talk to them in the same way, and I have found that in the average case it is not difficult to come to a mutual understanding. But if the relations of the bank and the custome are to be satisfactory there must be nothing held back when we sit at either side of that desk."

Every manager would do well to consider this attitude. To be on intimate business relations with the customer will go further than being on friendly terms in a social way—although of course the social relations should not by any means be neglected. But in the case of the manager I have quoted above there was a factor in the intimacy between himself and the bank's customers which he probably did not appreciate as others did. He was able to "get down to cases" with the manufacturers because of his knowledge of their problems—for years he had himself been the general manager of a large manufacturing plant before entering upon the career of a banker. Thus, when the manufacturer came to him with his case he was able to analyze it and not only to view it in a practical way from the standpoint of the bank but to discuss it also from the viewpoint of the customer. Nothing could be more effective in leading to satisfactory banking relations.

Study Client's Business

Now this is not an argument that bank managers should spend a period at manufacturing in order to discharge their duties the more effectively. The point is that a knowledge of of the customer's business is a great asset in establishing those relations which are mutually advantageous to bank and client. There are many ways of acquiring this knowledge, but perhaps none is more effective than to get into touch with matters in which the client is interested. The banker who can talk to the manufacturer about current developments in regard to such problems as the markets for raw materials, relations of capital and labor, the tariff, etc., will at once be in the way of establishing satisfactory business relations.

Nor does this apply alone to manufacturers. I recently met a manager who had been increasing his business in retail store accounts by similar methods. Through following trade papers he gained a knowledge of the hardware, grocery and other markets which on several occasions gave him an opportunity to give his customers a tip on what was likely to happen. Naturally this made him strong with the merchants concerned, not only because of the information given but the fact that he was in a position to talk to them about their own problems in their own language. "Did these tactics bring results?" I asked this manager.

Offered a Partnership

"Results? I should think so," he replied. "What would be a stronger argument to land an account from a hardware store, say, than to give the proprietor a tip on the turpentine market which enabled him to get in a stock on the eve of a substantial advance? Why, I became so intimate with that merchant that when his partner died he made me an offer to take a share in his business, and when I did not accept he made a similar offer to my accountant, who is also something in the nature of a 'correspondence college' merchant."

Tact in Refusing a Loan

The intimate relationships referred to make it possible for a manager not only to tactfully refuse a loan or an extension of credit when such is not advisable, but he can usually present the matter in such a light that the customer himself is satisfied. In no other way can a manager better prove his worth than by being able to refuse a loan in such a way that the account will not be moved and staying be much healthier for the refusal. The manager should not, on any occasion, assume a patronising air to the customer. Warning against this is given by "The Teller" in the following paragraphs:

Bankers unconsciously get into the habit of acting in a sort of patronizing way with a good many of their customers. They seem to feel that it is a great favor they are granting when they loan a man money. They talk about "favors" and "accommodations," etc., etc., forgetting that the borrower pays for what he gets. Without the borrower, the banker might as well bury his money. It's a "give and take" proposition, reciprocal in all respects, and should be so regarded by both parties to the transaction. In times of panic, "accommodation," as such, is ofttimes extended by the banker, but in normal times, the use of such terms as "accommodation" and "favor" should not be used in dealing with borrowers. It is often taken to mean really more than you intended.

A man recently transferred his account to us because of an undiplomatic remark made by the manager of his old bank. A wealthy man, with numerous wealthy relatives, he had occasion to borrow $1,500 from the bank where he had had an account for years. The note ran for three months, and at maturity he asked to have it renewed. The banker agreed, but as he was making out the new note, remarked: "I don't like these STICKY loans, Fred." Fred replied "Well now, neither do I, and I think I can pay it before three o'clock." He got a cheque for the amount from his brother and paid off the note. Since then the bank has lost one by one, the accounts of every member of that family—and in the aggregate they represent a substantial amount.

The moral of this is that the banker to know his own business should know something about the other fellow's—and the more the better.—J. W. T.

BANKERS LOOKING TO THE FAR EAST

Comment on Joint Venture of Canadian and American Institutions

NEW YORK — The determination of a local bank to join with a Canadian institution (Union Bank of Canada) in organizing a subsidiary corporation to do business in the Far East, draws attention again to the fact that American bankers are turning to the Oriental banking field. In the first few years of the war Latin-America occupied their interest outside of this country, and during those years and to some extent since then they have established chains of branches in the important South American centres. That quarter of the globe has thus been united with this centre by intimate financial ties and provided with adequate connections for the financing of its foreign trade with this country by means of dollar exchange. Now it appears to be the turn of the Far East. Before the war only one American institution operated in the Orient, but in the past few months several others have been tracted to that quarter, and it is known that still others are contemplating extending their activities in that direction.

Whether any more American banks will go into partnership with Canadian institutions in such external enterprises remains to be seen. There is an obvious advantage for both in such united undertakings. Canadian banks have the experience of conducting foreign branches, notably in the West Indies and in Mexico, and they can supply men trained to run the newly founded branches, while the American banks can contribute capital in great abundance to such partnership.

In spite of this American invasion of the Far Eastern banking field, it is very probable that the supremacy of the British banks there will not be seriously threatened. They are particularly well entrenched in the most important trading centre of the Orient, which is Shanghai. Although many foreign banks are represented in that city, the British institutions predominate by far. The leader among them is the Hong Kong & Shanghai Bank, which virtually controls the exchange market in Shanghai by virtue of its vast resources, which are incomparably greater than those of most of the other banks located in that city.

PREFERENCE A NECESSITY

London Chamber of Commerce Makes Representations

LONDON.—A special committee of the London Chamber of Commerce dealing with trade during and after the war considers the necessity for Imperial preference stronger to-day than ever. It recommends that the Government be urged to guarantee, by a series of years' continuance, by subsidy or otherwise, the new or "key" industries.

It recommends also that the peace terms should compel Germany to make the fullest restitution for all Allied tonnage and cargoes sunk by enemy action, such reparation to be made in ships, Westphalian coal or money.

USING THE TRADE ACCEPTANCE IN RETAIL BUSINESS

A Further Development of the Idea is Presented

DISCOUNTS FOR CASH

A Financial Authority Argues That They Will be Gradually Eliminated by Use of Trade "Paper"

By W. G. AVERY
Assistant Treasurer, Guaranty Trust Co., New York

The main object of this address is to show that the acceptance is a feasible instrument of credit in practically all lines of commercial business. The opinion was expressed to me a short time ago that we in this country are starting at the wrong end in advocating its use. The retailer is the one who finances the largest number of commercial transactions and who comes in contact with the buying public. If we can persuade the latter to recognize the acceptance as a medium of exchange, we shall have accomplished a great deal towards the end desired.

Suppose we take the case of the farmer who has been in the habit of buying his machinery on the instalment plan, with its increased cost to him, representing the usual addition to the price of the article for the accommodaion, interest, collection charges, etc.

I think a plan could be evolved whereby he could give his trade acceptance for the full purchase price, which could be secured by a lien on the purchase, and which would be paper eligible for rediscount by the holder. The expense of the discount borne by the acceptor would be very much less than that of the higher price he had to pay for buving on the instalment plan. The retailer holding the acceptance would have a negotiable instrument, the proceeds of which he could use to take up the acceptance he had given to the wholesaler or manufacturer. This may sound somewhat idealistic, but a plan has nevertheless been worked out very carefully somewhat along these lines, taking into consideration all contingencies. The details would be too numerous to consider within the short time allotted here, nor am I at liberty to discuss it, as the matter was outlined to me confidentially.

Some Objections

Many retailers make the objection that the trade acceptance is merely a means by which the wholesaler or manufacturer finances himself at the expense of the retailer's credit. A good definition of the trade acceptance is that it is "the buyer's written acknowledgment of a current business debt, payment of which is not yet due." This definition effectually silences this objection, in that it points out that the retailer who intends to pay his bills need have no adverse sentiments about signing an acceptance, because it is merely an acknowledgment of his obligation.

Another objection often raised to the signing of an acceptance is the fact that the acceptor thereby has his name to paper which gets on the open market. This in itself should certainly be no objection, for the reason that it places the acceptor on record as agreeing to pay his obligation on a definite future date, You gentlemen will realize very easily that a financial statement showing acceptances payable is regarded much more highly than one showing accounts payable. I do not know whether it is within your province to advise your clients in addition to auditing their accounts, but I imagine it does not come amiss in many cases. This being so, you have exceptional apportunities for encouraging the use of acceptances, and I, therefore, want to lay before you a few arguments in support of the instrument.

Fluidity of Credit

We have to consider the subject principally from the points of view of the buyer and the seller, for the purpose of this address. These arguments are possibly somewhat time-worn, but there may be some amongst them that have not occurred to you. One of the main virtues of the acceptance system is that it makes for greater fluidity of credit. A merchant's entire holding of acceptances can be sold, thereby converting all his sales into liquid and available capital.

Loans based on accounts receivable are usually at the ratio of two for one, but acceptances are bought to the extent of 100 per cent., based, of course, on the financial ratings of the names submitted. While touching upon this point, it may be well to mention that it becomes necessary sometimes for a merchant to sell his book accounts or to borrow against them specifically. Companies are in existence which make a business of this, by taking an assignment of the accounts. The rate of interest paid by the merchant for this accommodation varies sometimes from 8 to 12 per cent. Not only does he obtain merely a percentage of the amount assigned, but he guarantees the payment of the accounts. In advertising their facilities, these companies are careful not to mention their rates, as compared to those for which acceptances can be sold or discounted.

Discounts for Cash

Heavy discounts for cash will, I think, be gradually eliminated by the use of accetpances. These discounts, as you know, run as high as 24 per cent. per annum, and are very often taken by the buyer illegitimately. Let me give you a few statistics in this connection. Among manufacturers the terms are usually 60 days less two per cent. for cash in 10 days. An investigation made some time ago resulted in demonstrating the fact that when bills are discounted instead of being paid in 10 days, they have averaged 15 days, and for those on which the option of 60 days has been taken, the average payment is 75 to 80 days, and at least 10 per cent. require 90 days or more.

Turning to wholesale distributors—the analysis indicated that generally speaking from 40 to 50 per cent. of buyers discount their bills within 15 days after purchase, while of those who exercise the 60 day option from 25 to 30 per cent. pay "promptly" (so-called) or within one month following the 60 day maturity. Of the remaining 20 per cent. only about one-half pay in the period between three or four months after purchase, while the other half pay in from four to six months, or never.

It can be readily seen, therefore, that it is better to sell on longer time with acceptance than on so-called short time with open accounts.

Commercial Paper

As distinguished from commercial paper, the trade acceptance is more desirable in the eyes of a banker. In the first place it represents actually current transactions, the purchase and sale of goods. There are no means of ascertaining in many cases, the object for which the former is issued, and it may be simply accommodations, or may represent considerably overdue accounts.

Another feature to be considered is the fact that by giving and taking acceptances a merchant is in the position of estimating definitely his financial position on a given date, thus being able to regulate his commitments accordingly.

The buyer in most cases eventually becomes the seller, and it is, therefore, necessary for him to consider the matter from both sides. The features I have just enumerated may be taken more from the point of view of the latter, but there are others which are more or less vital to the buyer. He is stimulated to meet his payments promptly and this tends naturally to a general improvement in the management of his affairs, which in turn enhances his credit rating and financial reputation. The use of acceptances gives him a good argument in requesting them from his customers when he becomes the seller. By giving his acceptance, as stated before, he acknowledges the obligation, but that does not mean that he waives legal claim against the seller in the event that the goods purchased are not up to specification.

Possible Extent of Use

While it is a mistaken idea that the trade acceptance system is applicable to all business transactions, it is a fact that billions of dollars worth of goods are to-day being sold on open account, which could be financed by the acceptance and which would conduce to better business methods, in that there would be a definite obligation payable on a definite date, and constituting a readily negotiable instrument. Thousands of firms are now using acceptances freely, and reports are received daily by the American Trade Acceptance Council, setting forth the satisfactory experiences of many of these firms.

In Canada, as you all doubtless know, acceptances are used very freely and traded in extensively by the banks. Losses are very infrequent and experience has shown that when they have occurred, the cause has been lack of proper care in scrutinizing the names thereon.

You gentlemen are in a better position than I to be familiar with the financial intricacies of different lines of business, and, therefore, better able to judge of the feasibility of acceptances in connection therewith. It seems to me, however, that there should be a very few cases in which they cannot be used.

At any rate, it is most desirable that we should endeavor to overcome objections wherever possible, as there can be no doubt that their use will release an enormous amount of capital and at the same time place our financial structure on a sound credit foundation.

WOULD HAVE BANKS BUY VICTORY BONDS

A Suggestion From the East For Additional Protection to Bondholders

An editorial from the Glace Bay Gazette

We would make the suggestion that arrangements be made by the Finance Minister to assist and protect Victory Loan investors who are not accustomed to buying and selling such securities and who may find it necessary or wish to sell their Victory Bonds. It is all very well for the Finance Minister to advise people against selling their Victory Bonds, or, if they insist on selling, for the newspapers to advise them to see a banker or broker, or for a banker to send them to a broker. The very people who need that advice are those who either do not read the newspapers, read them but partially or carelessly, or those who know so much themselves that their usual remark after glancing over a newspaper is that "there's nothing in the paper." Besides, even if such advice is taken, there are stock and bond brokers only in the larger centres—in Nova Scotia only in two or three places—and there is delay and inconvenience in selling bonds through them.

Our suggestion is that the Finance Minister arrange with the banks to buy all Victory Bonds presented for purchase. The banks could resell them through brokers, and the difference of one per cent. between buyer's and seller's price could be divided between banker and broker as commission. We do not believe this would lead to the banks being swamped with Victory Bonds. The total of bonds coming into the banks in this way would be comparatively small, and as they would immediately be sold through brokers the banks would not have a very large amount tied up in Victory Bonds at one time. An advantage would be that there would be an active market for Victory Bonds, and an active market means higher prices. The banks would no doubt object to this scheme, but they enjoy very valuable franchises, and it would not be asking too much to ask them to use their facilities in this way so as to make the Victory Bonds more desirable to the general public.

With this arrangement with the banks there should be formed in every city, town or village a small committee, giving their services free of charge, whose duty it would be to advise and assist persons wishing to sell their Victory Bonds — to advise and persuade them first, if possible, to hold their bonds and then, if the person is determined or obliged to sell to give their assistance in putting the sale through, which would also relieve bankers of considerable work in explaining to the prospective sellers about prices, etc. This committee would be officially recognized and publicly known as agents to handle Victory Bond sales. Persons wishing to sell their bonds would go to them with confidence that they would get the highest price, and, therefore, they would not fall into the hands of speculators, who have made thousands of dollars by paying less than the market price or not paying accrued interest.

It enhances the value and desirability of anything—real estate, groceries, bonds, etc.—to have a ready market to sell as well as to buy. People will buy Victory Bonds and other securities more readily if they know they will have no trouble in selling when they wish to. The arrangements for selling these bonds to the people have been complete and successful, but to continue them as a popular investment just as much attention should be paid to arranging facilities to assist those who have to sell their bonds or think they have to. There is a committee for all Canada who in a large way do the work that we outline, but what is needed is to make the benefit of such work general, and the way to do that is by having a committee in every town and using the banks, whose branches are in practically every town and village, to create a more extended market for Government bonds.

NEW LICENSES

Companies Empowered to do Business In British Columbia

The Great Northern Insurance Company has been licensed to transact in British Columbia the business of livestock insurance. The provincial head office is Vancouver. J. Edward Bird, 901 Metropolitan Building, Vancouver, is attorney for the company.

The Phoenix Insurance Company of Hartford, has been licensed to transact marine insurance and automobile insurance (excluding insurance against loss by reason of injury to the person). Arthur E. Haynes, Victoria, is attorney for the company.

Books That Solve Business Problems

THE successful operation of every business depends upon the judgment of men capable of making correct decisions. In the following list you will find **books that will assist you** in successfully solving your peculiar and perplexing problems.

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Subscribers are especially requested to report any instance of delay or non-delivery of THE POST.

PUBLISHED BY
THE MACLEAN PUBLISHING COMPANY, LIMITED
143-153 University Avenue, Toronto.

MONTREAL, Southam Building, 128 Bleury St., M. Foster; WINNIPEG, 1207 Union Trust Building, C. W. Byers; BOSTON, 733 Old South Bldg., C. L. Morton; NEW YORK, Room 620, 111 Broadway, R. B. Huestis; CHICAGO, Room 900, Lytton Bldg., 14 E. Jackson St., A. H. Byrne; GREAT BRITAIN—London, The MacLean Co. of Great Britain, Ltd., 88 Fleet St., E.C., E. J. Dodd, Director.

TORONTO, JANUARY 4, 1919.

AN EXAMPLE OF SERVICE

IN this number, THE FINANCIAL POST has made an effort to discuss in a manner interesting and illuminating to the business man and the investor topics of current importance in the industrial and financial fields. Fundamental economic principles have not been departed from, but the desire has been to get away from cold statistical facts as far as possible without neglecting their significance.

The special articles have all been prepared by THE FINANCIAL POST'S editorial staff, including representatives at Ottawa, Montreal, and New York, and writers on associated publications in the MacLean group of specialized business newspapers. The material has been gathered by writers trained in their particular fields and presented with an intimate knowledge of the problems considered as well as the phases which are significant to THE FINANCIAL POST'S readers; the views expressed are in most cases based upon the opinions of authorities in the best position to deal with the problems considered.

We would ask the reader, therefore, to consider this issue as an indication of the service which THE FINANCIAL POST is in a position to render—a service of special value in this unsettled period when so many important readjustments are being faced with their attendant problems for the business man and investor.

CANADA HELPS U.S. EXPERTS

TWICE during a recent conference in Canada between an expert from Washington and two similar Canadian experts over very important mechanical problems affecting war production—in fact one of the most important—technical newspapers were called for and extracts therefrom lay on the table during the conference.

The Americans had fallen down after nine months' experiments. A chance reference by an editor of *Canadian Machinery* showed that in Canada we had overcome the difficulty. In company with the editor the great Washington expert visited the Canadian experts and during a forenoon it was found that the American troubles were easily solved—and a service of the greatest value—tremendous value—was rendered to the war production work in the United States.

Yet here in Canada we have a director-general of national information, M. E. Nichols, drawing a salary of $6,000 a year from the country, who thinks mechanical engineers are of so little importance that they should not have news of special interest to them—no matter how valuable. He reported that technical papers performed no public service and were therefore not entitled to the newspaper mails.

Hon. Mr. Rowell says he hand-picked Canada to find Nichols, then out of a job; that he appointed him on strong representations of leading newspaper men—but refused to name them. There is one thing sure, the hundreds of thousands of farmers, merchants, mechanics, manufacturers and financiers throughout Canada, who need and read the newspapers specially devoted to their interest, have no sympathy for Mr. Rowell's action in this matter. The fact that Mr. Nichols had made a gigantic failure of his two big newspaper ventures, should be sufficient to condemn him as a man whose opinion on publishing or news was of little value.

Let us have intelligence and efficiency in the public service.

WHAT DOES HE MEAN—"BLOOD WILL TELL"

AT the recent convention of Hydro municipalities in Toronto, Sir Adam Beck indulged in his usual reckless generalities and was sharply checked up by THE FINANCIAL POST on several points because THE POST had a verbatim report of the address—and, it may be added, the misstatements pointed out were only a few of those made. In advocating his own route for the Provincial highway before the Government, Sir Adam once more displayed a disdain for facts which again got him into trouble, because a shorthand writer was present.

Sir Adam, according to verbatim report as quoted by City Solicitor Doherty of St. Thomas, told the Government that the daily traffic on the Longwoods road was 1,300 vehicles. County Engineer Talbot says that his figures were "that on many days during the year 500 motor cars made use of the Longwoods road." Further, Mr. Talbot is reported as claiming that Sir Adam never made the statement credited to him. However, the shorthand report will satisfy the court of public opinion on that point.

Mr. Doherty, in a letter to the St. Thomas *Times*, points out that when he had an opportunity of checking the recklessness of the Hydro boss he did so and this evidently vexed the London knight greatly. Mr. Doherty concludes:

> Is it surprising that smarting under the exposition I was making on Thursday of his reckless statements, he lost his temper, and in the presence of the southern route delegation, including ministers of the gospel, repeatedly called me a d—— liar and a dirty swine?

We unfortunately know only too well of a country and a people who for the last four years have made use of such language, but, one would hardly expect it from a man occupying a public position in this country, but blood will tell.

OVERLOOKING AGENCIES FOR FRENCH TRADE

While the Dominion Government has made an excellent choice of representatives in the special mission to London in connection with reconstruction business, so far the French end appears to have been neglected. It is true that some attention has been paid by the Department of Trade and Commerce to having Canadian manufacturers represented at the Lyons Fair, but the proposal to cover a large portion of French territory, instead of one centre only, by means of an Exhibition Train, it would appear, had been neglected as a trade-getting agency.

This plan, attributed to Senator Beaubian, first of all, and warmly supported by men like Lord Shaughnessy, H. W. Kelley, Sir Herbert Holt, has the cordial sympathy of the French Government, and would tend to familiarize the French people with Canadian products, a valuable auxiliary, surely, to a vigorous scheme for Government salesmanship on behalf of Canadian manufacturers. With the train itself already offered by the French authorities the cost would be comparatively small.

A second proposal that is coupled with business shrewdness is the appointmentof some French-Canadians such as Sir Hormisdas Laporte, perhaps, as a special Canadian representative to solicit orders through the Canadian Government for Canadian products. The choice of one who speaks their own language would not only be regarded as a courtesy by the French themselves, but should have a most practical influence in enlisting co-operation, especially as the element of gratitude has not been weakened by time.

Both projects, we believe, call for careful and prompt consideration by the Government. The United States, quick to act where business lies, already is represented by one of the ablest of French salesmen.

THE LOYALTY OF BIG BUSINESS

THE United States War Industries Board passed out of existence on January 1st. Chairman Bernard M. Baruch pays the following warm tribute to business men for their loyal support in helping win the war:

> "At the close of the activities of the War Industries Board it is but simple justice to express our appreciation and gratitude for the loyal support given us by the industries of the nation. As chairman of the board, I offer on behalf of my associates and myself a tribute of thanks for the patriotism and devotion shown by the entire commercial body of America. Its members have made service and not profit their rule. They have shown a desire and willingness to subordinate self and exalt public interest, and to this readiness to make sacrifice in the common cause has largely been due whatever success we have been able to attain. I would be doing the industries of America an injustice if I did not make this acknowledgment."

After ten years of persecution of big business by governmental departments in United States, with the attendant result that the impression prevailed among millions of people that the grabbing of dollars was the only thought in the minds of most business men. Over 250 big executives became $1 a year men and hundreds and thousands of others gave their time and energy freely. The statement of Mr. Baruch indicates that the services rendered was appreciated. The efficiency of the United States in the war proves that it was effective. And the efforts to solve the problems of industrial reconstruction through the formation of combines which were condemned under the Sherman Act are a revelation that the public and the press as well as the Government have been brought to a new appreciation of business as a factor in national development and prosperity.

In Canada, conditions have been somewhat similar. It was the final accomplishment of Sir Robert Borden against much opposition, and after long procrastination in calling some of the country's big executives to Ottawa—not enough to be sure—that relieved the incompetent office holders of their responsibilities and brought order out of chaos. And now the Premier shows courage in endeavoring to continue and develop this practical business side of his administration for meeting the problems of the post-war period.

These are some of the facts to be jotted down and kept before us when we hear business men as a class accused of all the crimes of the Bolsheviki calendar. In Canada public opinion is coming more slowly to realize the true situation. For this, certain individuals and associations in our national industrial life, who have not yet learned the lesson of public service, may be to some extent responsible, but not to the same extent as the leaders of the daily press, many of whose editors cater to the prejudices of the people evidently without any other object than to encourage the ideas of a misapprehending majority.

EDITORIAL NOTES

UNOFFICIAL canvass of Congress by *Sun* shows large majority in both houses opposed to Government ownership of railroads and in favor of broadening regulative powers, especially to embrace control of capital issues and to permit pooling within safe limits.

* * *

THE *Globe* states that manufacturers must reduce costs in order to compete successfully in the world's markets. In this connection, the *Globe* should not fail to remember that the most important factor in the cost of production to-day is the high price being paid for labor.

* * *

THE Glace Bay *Gazette* makes the suggestion that the Minister of Finance should make an arrangement by which the chartered banks should be constituted as a medium for the purchase of Victory Bonds.

* * *

PROBABLY even a bigger mistake than the Government's capitulation to the demands of the socialist labor element in the liberation of Arthur Skidmore was his arrest in the first place. The people have a right to expect more intelligent judgment than was shown in this case, when the sensitive relations of capital and labor are involved.

SOME TIPS FROM WISE OLD ROBERT DOLLAR

The Career of the Foremost Business Man on the Pacific —Canada the Scene of Many Early Struggles

"AVOID the easy, lazy job. Shun the position that calls for little or no exertion, that does not put your powers to the test, that does not keep you constantly on tiptoe in an effort to fill it well—better, in fact, than it was ever filled before. Don't run away from difficulties, from hard work, from hard knocks, if need be. Hammering hardens and strengthens a young man. It tests his mettle. It develops him. It teaches him self-reliance, self-confidence, grit. It drums out cowardice or timidness and makes him unafraid to stand up and fight until he learns how to win out."

Our speaker is Robert Dollar, the foremost business man on the Pacific, creator and owner of the famous Dollar Steamship Lines, a penniless lumberjack who became a "lumber king"; the man who has done more than any other human being to promote friendship and commerce between the yellow races and the United States, and whose reputation for integrity and ability is such that he was recently commissioned by the United States Government to arrange a thirty-million-dollar shipbuilding contract with the Chinese Government, and was made the depository for receiving these millions without even being asked by either nation to put up a bond!

How came Robert Dollar to attain such conspicuous success in business and such a superlative reputation for ability and integrity? The answer to this and other questions is given by B. C. Forbes in the "American Magazine":

"Tell me how you did it!" I exhorted.

"You are very familiar with my whole career," he countered. "I'm not so fond of talking as I am of acting. You know how I went about it—and surely no boy ever had a poorer start or less encouraging experiences as a youth than I had."

"Will you tell me," I asked, "how you are exercising foresight *now?*"

"Well," he replied, "every long-headed business man is not only doing everything he can to help in winning the war, but he is figuring upon after-the-war conditions and opportunities. Great Britain has no fewer than *thirty-seven* organizations getting ready to cope with after-the-war problems of every conceivable kind. Every nation in Europe is getting ready. We are the only nation that is lagging. We are doing practically *nothing* yet.

"Our own company, for one thing, is spending several hundreds of thousands of dollars in building new docks and other shipping facilities at one port alone in the Orient. We are also making extensive preparations at other Far Eastern points. Some of these facilities may not be actually needed for years, and they strike certain people as foolish, as a waste of money. True, the half-mile of docks we are constructing at one place may seem unnecessary at this stage of world development; but we are laying broad foundations for the future. We *know* they will be needed; as a national assets, we *know* they wil become immensely valuable, for a correct reading of the history of the human race enables us to see what is coming. Always the nation that has the greatest fleet of ships has commanded first place in the world. And always the centre of commerce moves westward. It is destined next to pass to the Pacific. America will have the greatest number of merchant ships ever possessed by any nation. Trade must be found for them. The greatest field in the whole world for commercial development is China, with its population equalling one third of the world's total inhabitants. The nations on the Pacific, notably America, China and Japan, are to become leading nations hereafter. That is why our company is laying plans for expansion at both sides of the Pacific.

A Site in Shanghai

"Years ago the American Government possessed a large concession site in Shanghai; but it did not have enough far-seeing business gumption to hold on to it, and two years ago had to pay three hundred thousand dollars for what they formerly had for nothing. The British looked ahead, and retained a beautiful site of fifty acres for their consulate right in the heart of this growing commercial city. This is an illustration of foresight.

"The young man in any walk of life shouldn't find it hard to cultivate the forward-looking habit. I don't see how he can avoid developing it if he enjoys his work and concentrates his mind on it.

"Hindsight, properly utilized, promotes foresight; that is, a careful study of past causes and effects is likely to throw at least some light on future possibilities and probabilities. But before deciding on action, fortify and enlighten yourself with all procurable facts, and post yourself on probabilities, trends, undercurrents, et cetera. Be sure your facts are facts. Having got them straight—and *all* you can get of them—and having surveyed the whole outlook as discerningly as you can, then decide and act.

"And when you act, act wholeheartedly. Don't be timid. Don't tread gingerly. Have confidence; have self-reliance; have courage; have nerve; have faith. Don't let obstacles or hardships worry you—a goodly share of difficulties and hardships have the same effect upon the right kind of young man as blows have upon a piece of steel that is being tempered. Setbacks train you to fight better. The 'Black Friday' panic of 1873 bankrupted me just after I had made my first start in business, when twenty-eight, and I well recall an older man then saying to me, by way of consolation, 'Happy and lucky is the man who fails when he is young.' I can better appreciate the wisdom of his words to-day than I did then. Age and experience, you know, teach one many homely lessons."

Emigrated to Quebec

Born in Scotland in 1844, Dollar was reared in a humble abode above the office of a lumber yard where his father worked; but his mother's death set his father to drinking; unemployment followed; Robert was taken from school at twelve and put to work in a machine shop at sixty cents a week, and emigration to Quebec was decided upon when the lad was fourteen. After filling various rough jobs, the young, hard-up immigrant was engaged as "chore boy" for a lumber camp in uncivilized territory a hundred or more miles above Ottawa. His chief duties were assisting the cook, and when the food was not up to the mark—which was often!—the uncouth lumber jacks not infrequently revenged themselves upon the helpless cook boy. He was made cook two years later.

The semi-savage life of the lumber camp had almost completely rubbed off the superficial schooling he had received in Scotland; but the conviction overtook him, when he was nineteen, that if he was to make headway in the world he must start educating himself. One day after finishing his work he was practicing how to write and figure on a piece of birch bark—the only writing "paper" he could obtain—when in popped the manager and the treasurer of the company. "What are you up to? Is that all you've got to do?" they asked as he tried to conceal his writing materials. On inspecting the cook-house and finding everything shipshape, they questioned him less gruffly, and then left. His industry was rewarded by promotion the following year to the position of clerk to the foreman, although the clerking had all to be done nightly after a full day's lumbering.

This life, which he continued for years, latterly as a foreman, taught him resourcefulness, self-reliance, doggedness, frugality. As foreman of a large camp he had to set broken legs, pull teeth, stitch and dress bad cuts, prescribe for the sick and cure "night blind," a malady which struck victims, stone-blind nightly from sunset to sunrise, and which was caused by a constant, unvaried diet, month after month, of fat salt pork, flour and peas—nothing else. (The favorite cure was to eat a piece of cheese or drink milk for five or six days, when such medicines could, by hook or crook, be procured.) He had to know how to keep under control a gang of none-too-gentle huskies; how to build new waterways and make untried rivers navigable for logs—he was the first to bring logs over the Chaudiere Falls and past the city of Ottawa; how to sleep when necessary on frozen ground without freezing to death; how, in short, to live a Robinson Crusoe life in wild, inhospitable, remote regions.

Awaiting Opportunity's Knock

All this time he read and studied, taking with him each year a library of standard works. Also, he saved almost every penny he earned, and was owner, jointly with his brother, of an unmortgaged farm before his wages had risen above twenty-six dollars a month.

This stern training fitted him to seize Opportunity. Opportunity came to him—or, rather, he went after it—in the form of new territory which the Canadian Government opened north of Toronto. He had capital enough to form a partnership to purchase timber on virgin farms. They cut thousands of logs, borrowed money to carry them until the following summer in the hope of securing big prices, branched out bravely, had rapidly growing visions of cleaning up a modest fortune, when—crash! Jay Gould and other gradiatorial speculators were caught in the notorious gambling frenzy which exploded when gold fell with a sensational bang on "Black Friday," as it ever was called. Financial wreckage strewed the United States and Canada. Robert Dollar lost his all, and found debts of twenty-five hundred dollars hanging round his neck.

While struggling as a wage-earner to repay his creditors, a struggle which took three years, he married, "And from this time," he says, "my success in life began, as I was fortunate in getting a good helpmate who counseled me, spurred me, tended me, and aided me." Before long he had started eight camps in the Muskoka district. But this did not satisfy his ambition or his pioneering instincts. He invaded an island in the Georgian Bay, near Parry Sound, where giant logs were obtainable. This camp was accessible only in the summer months, as the whole zone was frozen over all through a long winter. The camp ran short of fodder, and Captain Dollar personally undertook to convey supplies over sixty miles of treacherous ice.

"We started off over the ice," he says, "with four teams of horses and four loads of feed. We soon came upon wide cracks which we had to bride over with planks which we had taken the precaution to carry with us. Before night a terrific snowstorm and hurricane came without handclap of warning. It was so violent that one team was swept off its feet. We formed a hollow square with the loads, and men and horses huddled together in the centre. But nobody believed we could survive the night in this exposed place. My chart showed we were far out of sight of land, but indicated a small island or rock about a mile directly to windward, and, armed with an axe, I started to find it, in the hope that we could obtain some degree of shelter.

"Before I had gone a quarter of a mile I was driven back by the wind. But I couldn't find the teams in the blinding storm. As it was impossible to stand still, I lay down and yelled with all my might on the chance that the men might hear me. I began to choke. Rising, I was driven along at the mercy of the wind—which had shifted, thus mystifying me. One moment I would be spinning and falling over slippery ice, the next I would be floundering in water. The bones of my hand were broken by the ax handle; my clothes began to freeze as stiff as iron; I fell repeatedly, and knew my strength was giving out. One particularly vicious gust knocked me over, and my head hit the ice so hard that I was stunned.

"Snow driven against my face revived me. But I felt I was doomed and that I might as well curl up and die. Soon, however, I felt a little rested, and I determined to try once more. Raising myself on my elbow, I saw with astonishment and delight land not fifty feet from me. It was barren, inhospitable and uninhabited, but it seemed Paradise to me. I survived the night, which was away below zero—and so had the men, by using a load of hay to keep a fire going.

"But all our provisions were lost, except bran mash without salt. The men refused to proceed farther; but somehow I managed to persuade then to persevere—they knew they could not find their way back without me. After other adventures we at last found the camp. By this time the ice showed signs of breaking up, so I ordered the men to return at once with the teams before it should be too late. They point-blank refused to go with an Indian guide. I was ill and sore all over, scarce able to move a muscle. But to avert disaster, I consented to have them get me out of bed and into a sled. On the return journey nothing more serious happened than the horses falling through the ice into the water several times. Of course it took me several months to get over the effects of my experiences."

The Reward of Pluck

Fortune could not long refuse to smile on a man with such grit, with such qualities of leadership, with such heroic determination, with such enterprise. His business grew, he looked farther afield. Why not export lumber to Britain? To send consignments all the way from western Canada across the ocean was a task then beset with difficulties. But he would blaze the trail.

So rapidly did his operations extend that he foresaw he must move to a centre where there could be harvested a wealth of giant trees suitable for export trade. After journeying to various districts and examining prospects with his own eyes, he bought large tracts of government lands in Michigan at $1.25 an acre, and was soon despatching a lumber-laden ship

Continued on page 11.

PERSONAL

JOHN D. IVEY, whose death occurred in Toronto this week, was president of the John D. Ivey Company, wholesale milliners, and his long connection with the house which bore his name had made him a well-known figure in Canadian business; also his financial interests extended beyond the Ivey concern. He was a director of the Dominion Trust and Guarantee Company. Mr. Ivey's residence in Toronto extended over a period of 33 years. He came to this city in 1885 from London, where he first established himself in a wholesale millinery business in 1881.

J. E. DALRYMPLE, vice-president, in charge of traffic, of the Grand Trunk System, recently celebrated the fiftieth anniversary of his natal day. In thirty-five years of service to the Grand Trunk he has worked his way upward from a junior clerkship to his present position. He started in the treasurer's office in Montreal, and later was secretary to the freight traffic manager of the Chicago & Grand Trunk Railway, and secretary to the general manager of the Grand Trunk Railway System. Climbing steadily upward, about seven years ago Mr. Charles M. Hays brought him to Montreal as vice-president of the Grand Trunk Pacific and Central Vermont Railways. Mr. Dalrymple was born in Montreal.

FREDERICK HAGUE, K.C., who for some time was private secretary to his father, the late George Hague, former general manager of the Merchants Bank, has joind the law firm of Bisaillon, Bisaillon and Beique as their English counsel. Mr. Hague for some years was in partnership with his brother, H. J. Hague, K.C., but retired to associate with his father. The firm he is joining is one of the oldest in Montreal, the founder being Sir Alexander Lacoste, a former Chief Justice of the King's Bench.

LORNE C. WEBSTER, one of the best known figures in the financial world of Montreal, a director of the Nova Scotia Steel & Coal Company, and its coal salesman in Montreal, is likely to be the next Mayor of Westmount in succession to John McKergow, who will not run again. At a meeting held on Thursday of this week it was decided by a number of leading citizens to ask him to stand. Besides being connected with Scotia Mr. Webster is director of the St. Lawrence Sugar Refineries, president of the Dominion Manufacturers, Ltd.; vice-president of the Quebec Railway, Light, Heat & Power Co.; president of the Canadian Import Company; director of the Travellers' Life Insurance Company of Canada; vice-president of Goodwin's, Ltd., and director of the Quebec-Levis Ferry Company.

HENRY MILES, who won a decisive victory at the end of last week as representative of St. Lawrence division of Montreal in the Provincial Legislature, is one of the best known among the wholesale druggists in Canada, and of late years has widened his business interests. Besides being preident of Leeming, Miles & Co., he is president of the Proprietary Association of Canada; president National Hydro Electric Company; managing director Carillon Construction & Development Co.; president Montreal Business Men's League; secretary-treasurer Montreal Industrial Exhibition Association; president MacKay Company; proprietor and editor of the Montreal Pharmaceutical Journal, and a director of Dick & Co. Born at Lennoxville, and educated at Bishop's College School, and after attending Laval University for the study of French, Mr. Miles, forty-eight years ago, entered the wholesale firm of Lyman, Clare & Co., or Lyman Sons & Co., as it is to-day. After remaining 25 years with this firm he retired in 1895 to establish the firm of Leeming, Miles & Co. In 1901 Mr. Miles was president of the Montreal Board of Trade, and it was during this year that the Board's new building was financed. In 1898 he was one of the commercial delegates from Canada at the World's Business Congress at Philadelphia.

One of the "outside" interests is farming, and at Point Fortune he cultivates 400 acres, and is well known as a breeder of cattle, pigs, sheep and poultry. He is a member of the Board of Governors of the General Hospital, a Justice of the Peace, and for years was consul in Canada for the Republic of Uruguay.

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INVESTMENT SECURITIES

Montreal TORONTO New York

INVESTORS' INQUIRIES

Information under this head is given in answer to direct requests from investors who are readers of THE FINANCIAL POST. Many questions respecting securities are answered by mail direct. We would remind correspondents that it is now necessary to enclose 3 cents in postage stamps to cover postage on answers direct.

MARITIME COAL AND RAILWAY

J. E. D., Ottawa—Kindly advise me re the Maritime Coal & Railway Company 6 per cent. offered at 71. Do you consider the common stock a fair risk and the bonds a safe investment at the present time?

The bonds at the quotation of 71 would average 9 per cent., maturing as they do in 1934. The president, Wm. Hanson, states that the interest has always been met on these bonds and there is every reason to believe it will continue to be. He points out that the relatively low quotation is to be expected in the case of securities of coal companies dependent to such an extent on labor conditions, which have been so unfavorable during the war. The common stock is quoted around 20, although it pays 4 per cent. and has been paying on this basis since last year. Here, too, the president believes it will continue to do so, although here exists the risk common to all mining stocks. You call the common a "fair risk." This about describes it. It is speculative as all mining stocks; where they make good the return to the investor is naturally larger than in most industrials; conversely where they fail to do so, the loss is often almost entire. With this we must leave the decision to yourself.

SAWYER-MASSEY

H. E. P., Windsor—I hold a few shares of Sawyer-Massey preferred. About five years ago payment of the dividend was stopped. What are the chances for future payment? I never see the stock quoted except at the minimum; are any sales ever made?

The Sawyer-Massey Company, Ltd., has been facing trying conditions on account of the war. These conditions should not seriously affect the demand for the company's products, rather to the contrary, but the great shortage of skilled labor and the difficulty of obtaining raw materials and accessories have increased cost of production to such an extent that the margin of profit has been seriously cut. Competition with American manufacturers became very keen because in many cases the latter were using raw materials acquired at lower levels than prevailed during the later period of the war. However, conditions were gradually improving when the Government decided to take the duty off tractors imported from the United States, and as this company has specialized in the production of such machinery it found itself in a very difficult position. Such have been the difficulties in fact that President Robert Harmer has stated on more than one occasion that the company is seriously considering the removal of its plant to the United States if the free importation of American tractors is allowed to continue.

There have been no sales of the preferred stock recorded since February of 1918, when the minimum price of 40 prevailed. A few shares changed hands during 1917 at the same figure, prior to which the last quotations were in June of 1916 when the price was around 75. A few shares of the common stock changed hands about the middle of December at 13 as compared with transactions at 10 and 12 earlier in the year; 24 was the high and 8 the low in 1917.

The future of the company depends very largely upon what policy the Government may decide upon in relation to the tariff on American tractors.

ATLANTIC RAILWAY

V. M., Barachois—What are the possibilities of the Government taking over the Atlantic, Quebec & Western Railway?

In further response to our recent inquiry regarding the Atlantic Quebec and Western Railway woud say that we have been making some investigations of the situation at Ottawa in relation to the prospect for Government purchase and can only report that the matter is one for future consideration. There is a distinct reluctance on the part of those who should be in a position to speak for the Government to discuss such matters at this time.

MINES, AND BANKS

Enquirer, Peterborough—What do you think of the periodical payment plan of buying stocks and bonds? If a broker should fail before all the payments are made would one lose all the money one had paid? What do you think of Hollinger, McIntyre and Beaver? I put my ready cash into Victory Loan and now the bank stocks are all going up. Do you think they will continue to advance? Do you think they will be issuing more stock and will there be more amalgamations; if so between which banks?

We regard the partial payment plan of buying stocks and bonds as perfectly safe, provided you are dealing with a reputable and well-established brokerage house. Its advantages lie in the fact that a system has been definitely worked out under which you may become the possessor of stock by means of small payments; that an incentive to saving is provided and that means to acquire stock are furnished by the brokerage house which it might be difficult to obtain from a bank.

What would happen to your money in the event of the failure of the brokerage house before your payments had been completed would depend on the system under which the brokerage house operated. If the business was handled as a trust account you would be protected. We would advise, in the event of your having any fears in this regard, that you secure some definite information on this point from the brokerage house with which you propose to deal.

We regard Hollinger, McIntyre and Beaver as ranking high among mining stocks. Hollinger, of course, takes front rank among gold mines. It has immense ore reserves, a big cash surplus, a fine large mill, and is in every respect equipped to produce large quantities of gold for years to come. McIntyre, while hardly as big a proposition as Hollinger, is yet an important property with good possibilities. Beaver is the most speculative stock of the three. Its future depends to a certain extent on the success of the Kirkland Lake gold mine, in which it holds a controlling interest. This mine is just reaching the producing stage and is giving every promise of being a profitable enterprise.

The advance in the bank stocks has undoubtedly been a matter of readjustment to a peace basis following the end of the war. Practically all had been considerably depressed from the pre-war levels, and we believe that with the majority there had been allowances made against losses on the rather precarious war time business which should now be available in the shape of profits, although the conservative tendency would be to guard against any possible depression of values as the result of post-war price adjustments. General conditions continuing favorable in a business way the bank stocks will probably advance further as practically all investment values should improve as the drain of war financing lightens. As regards enlarged stock issues and further amalgamations we are not in a position to make any definite prediction, but it may be regarded as significant that the general banking tendency as indicated by the British banks is to consolidate interests and increase stock issues for the purpose of extending banking facilities in the support of export trade. There are rumors of amalgamations from time to time in financial circles, and of course in the event of any of these being arranged the tendency would be for the larger institutions to absorb smaller ones. It may be recalled that a couple of years ago the Minister of Finance announced his ruling in connection with the Bank of Hamilton proposal that he would not favor further consolidations except as a matter of expediency.

Generally speaking we might add that it is difficult—almost impossible in fact—for us to forecast market developments. Our idea is rather to advise inquiries as to the class of investments suited to their position and protect them from highly speculative propositions. A system for beating the market has yet to be discovered. Your investment in the Victory Loan we would consider a very wise one if you are dependent upon the income.

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CURRENT OPINION

Under this heading are published, for the information of our readers, the views of leading newspapers and individuals.

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THE COMPROMISE WITH CAPITAL

Farmers' Advocate.

A special issue of THE FINANCIAL POST, recently published, carries in its pages a large number of articles written by men representing all branches of industry except agriculture, which is mentioned frequently but not championed by anyone actually engaged in this, the greatest industry of all. In spite of this apparent neglect, the edition to which we refer is replete with ideas and it voices, no doubt very accurately, the opinions of capital regarding the coming transition period and the following era of expansion which all but the chronic pessimist look forward to with confidence. Throughout these articles the following thoughts are expressed:

1. A period of uncertainty will follow the cessation of war; manufacture will be unsettled, munitions will be a thing of the past, labor will be thrown more or less out of employment, and hardship will surely result if some well-planned Government scheme is not ready to handle the situation. Agriculture, it is felt, will be least seriously affected.

2. Following this period of uncertainty will come an era of expansion, when capital will flow from the United States into Canada, our resources will be developed and our export trade greatly enlarged. The warning is sounded that our exports should not be made up of raw material, but that every commodity should be subjected to final processes of manufacture before it is allowed to leave this country. The leading nations are preparing for aggressive trade efforts and it behooves Canada to be on the alert and ready to defend herself in the trade strife which is to come.

3. Our enormous national debt will prove burdensome if all classes are not prosperous, and in a position to bear their just and proportionate share of the taxation.

4. The sacrifice by so many Canadians shames anyone who puts selfish interests first, and their great devotion to country will force us to realize that, like the soldier, we live to serve mankind and the nation to which we owe allegiance.

In this last paragraph should be found a healing salve for the feeling between labor and capital, and agriculture and capital. The attachment between these elements of our national life is not as strong as it should be for various reasons. The Canadian Industrial Reconstruction Association think it advisable to drop the word "Industrial" on account of a suspicious feeling existing amongst the masses that obstructs the progress of that organization. The existence of this sentiment is admitted on every hand, and the first thing to do is to eradicate it through a policy of equity and justice to all. Any remarks in this direction lead one ultimately and unavoidably to the tariff, which at this time we do not care to discuss. In one of President Wilson's pre-election campaign speeches he referred to the same matter thus:

"The tariff is situated in relation to other questions like "Boston Common" in the old arrangement of that city. I remember seeing once, in Life, a picture of a man standing at the door of one of the railway stations in Boston and inquiring of a Bostonian the way to the Common. 'Take any of these streets,' was the reply, 'in either direction.' Now, as the Common was related to the winding streets of Boston, so the tariff is related to the economic questions of our day."

Thus it is when the national readjustment comes, the "readjusters" will congregate at the same old Common—"tariff." The outcome is still in the "Lap of the Gods," for who knows what commercial treaties will be subscribed to and what trade relations will be established or overthrown? It is to be hoped, however; that in our domestic dealings, one class with another, selfishness will be banned; that one man will not be taxed to enrich his neighbor; that it will not be necessary to tax the farmer in order to give work to the working man, or necessary to tax the working man in order to give better prices to the farmer. More should we strive to give what Sir John Macdonald claimed for the National Policy, "a fair day's wage for a fair day's work." This doctrine should be made to apply in the broadest sense possible, so that Canadians will look to agriculture instead of away from it to the regrettable extent they have; and to such a degree that we now find it reduced to a very low ebb, so far as man power is concerned. In spite of the Draft, in spite of the economic forces at work for a quarter century calling men from the farm, and in spite of the restrictions thrown around profitable production, we find that agriculture has exported during the period of the war up to the end of August last, foodstuffs to the value of $1,874,701,900. Against this, total war commodities representing the output of other industries amounted to $1,164,904,400. Thus, the basic industry of Canada, in the face of hardship, has maintained its supremacy and awaits that day when a gathering of the clan may evolve a more equitable system of tariffs and taxation.

Some time ago it was agreed that the manufacturers would meet representatives of the organized farmers of the West and amicably discuss questions of vital concern to capital and agriculture. The date for the meeting has been postponed, but there is no reason why at such a convention the whole matter could not be discussed in a way that would make for a better feeling between these two essential industries. If the tariff had long since been removed from politics we might by this time have made a start upon which our coming expansion would find a footing.

The interest we owe abroad must be largely paid with an exportable surplus, and in this effort to satisfy our creditors the products of farms and herds will have to be depended on for a major share. We must have enterprises of all kinds, but we cannot afford to develop them at the expenses of agriculture as we have done in the past. The farm and the factory must be on equal footing, and all classes must be allowed to play their part in the great scheme of development that will lift Canada to her rightful place among the nations of the earth.

LETTERS TO EDITOR

ANOTHER BELIEVER IN UNIVERSAL

Sir:—I was pleased to read in your last week's edition, a letter from Dr. Watson, a shareholder in Universal Tool Steel Company, Ltd., especially as I am one myself.

There may be people frightened into selling from statements of another paper, but I am of the kind that believe in the management of Universal Tool Steel Company, Ltd., and do not wish to part wtih my stock under $35 a share. As a matter of fact, I would not know where to secure as good a speculative investment anywhere in Canada, under $50 a share.

I have already been offered 1st-mortgage 5 per cent Hydro Electric Bonds in exchange for my stock. The security house was willing to pay me $25 a share, but I preferred to keep my Universal Tool Steel Company, Ltd.

Yours very truly,

A SHAREHOLDER.

Toronto, Dec. 10, 1918.

OUR INDUSTRIAL DEVELOPMENT

Editor, The Financial Post.

Sir,—My interest was aroused by the report of the delegation representing the Canadian Manufacturers' Association, the Canadian Industrial Reconstruction Association, and the Toronto Trades and Labor Council waiting upon the Government to urge the necessity of measures being taken to meet the after-war conditions. The warnings of seers and prophets have ever been more or less neglected, and when the voices of a few were raised in pre-war days that Germany was making extensive and not even secret preparations for war, they were laughed at and dubbed warmongers and alarmists, and we indulged in Peace Conferences instead! Had we listened to the truth "In peace, prepare for war." the struggle that has cost so much in life and treasure, might have terminated long ago. The opposite is equally true to-day. "In war prepare for peace," and it yet remains to be seen when peace does come whether this note—which has been sounded by some of clear vision—has been heeded, or whether it has been but "The voice of one crying in the wilderness."

One thing at least has been accomplished by the war—the binding closer of the ties of friendship and unity throughout the Empire—and it is inconceivable but that our statemen throughout the Empire will see to it that these bonds are more firmly welded when we are once again restored to the blessings of Peace.

It has been continually affirmed that we can produce within the Empire everything that is needed to sustain our national existence, and during the war this has in a large measure been proved. It is imperative that development along these lines should be fostered and promoted. The adoption of such a policy by no means entails the raising of barriers between ourselves and the fair commercial rivalry of other friendly nations. Competition is healthy and one of the principal factors in raising the standard of production. No barrier, however, is too high to raise against unfair competition and we should see to it that those whom we permit to enter the lists with us are worthy and honorable competitors.

It is now undoubted that we shall after the war see some kind of Imperial Parliament, which will deal with all questions of an Imperial nature, and it is to be hoped that this will include some permanent department to deal with trade within the Empire. In the meantime, however, it is of paramount importance that Canadian manufacturers should do everything possible to set their commercial house in order.

Where in the past Canadian manufacturers have had to compete against the low cost of product in Europe, indications are that whilst the present high cost of production on this side of the water is likely to adjust itself after the war, it is not at all probable that wages on the other side will ever go back to the pre-war level. Ocean freight rates also have had something to do with the difficulties of competition, but if the delay and expense of transhipment can be eliminated, and direct communication with other parts of the Empire secured, this minor difficulty will be overcome.

I am convinced that from the splendid part Canada has taken in the present struggle, goods "Made in Canada" will be welcomed and given a ready trial, but it is just here that I want to sound a note of warning, and I am sounding it with some personal knowledge of other markets of the Empire. I have often been struck with the poor quality of manufactures that will pass muster in Canada, and I doubt whether there is any other part of the Empire where the same quality would be accepted. It is therefore of vital moment if Canadian manufacturers are to obtain and maintain a place on the export market, that the requirements of various markets are carefully studied, and the requisite standard is lived up to. The Britisher is proverbially conservative, and "once bitten twice shy," and if at the start goods labelled "Made in Canada" do not come up to the required standard, the damage done will be incalculable. Canadian manufacturers who are already familiar with export trade, will not need this warning, but those for whom it may be a new departure will do well to bear it in mind, for it is to be hoped that the number of exporters after the war will largely exceed those that were in existence prior to the war.

In a communication I sent to you a year or so ago I referred to that excellent "Weekly Bulletin" issued by the Department of Trade and Commerce, the existence of which at that time I pointed out was not known to some Eastern manufacturers, whereas it should be the object of close study by all who are interested in the export market. I lived in India and Ceylon for ten years, and about the only things I can recall having seen on those markets as coming from Canada were McLaren's cheese and some Canadian canoes! I believe it would be possible to establish an excellent connection in this part of the world for certain Canadian products. For instance, large numbers of American buggies are used, imported entirely, I believe, from the States, very similar to the ordinary Canadian buggy or democrat. I remember receiving an illustrated catalogue from an American firm with prices in rupees f.o.b. Boston or New York, giving shipping measurements and weight crated. Why cannot Canadian manufacturers follow suit? Again most of the canned salmon (which, however, was in all likelihood put up by Canadian firms), bore American labels. Australian and Tasmanian preserves competed very successfully with English; why not Canadian? I might multiply instances, but I have merely wished to illustrate the possibilities which lie ahead of progressive enterprise.

What might be successfully established is something on the lines of what might be called a trade clearing house or central organization, to whom enquiries might be sent and by whom they might be distributed. Quotations could be sent through such an organization, the details of shipping attended to by it, and possibly the arrangements for financing. Such an organization if impartially handled, whether privately or by the Government, would be of no mean assistance to the smaller manufacturers.

The chief point to be urged, however, is to act quickly and take immediate steps in readiness for the new order of things in the world of trade. Do not let Canada be a bad second or a poor third.

Yours truly,

JOHN G. COOKSON,

North Battleford, Sask.

SOME TIPS FROM WISE OLD ROBERT DOLLAR

Continued from page 10

every month to England as well as supplying America with millions of feet of lumber a year, which was manufactured at the new mills at Dollarville, Michigan.

At forty, the immigrant who at eighteen could neither write nor figure with facility, had become a lumber king! But he sat on no gilded throne of ease. From his unbroken diary, which he has kept for fifty years, we learn that in one year, 1887, he traveled 31,141 miles—29,100 by water, 1,050 by rail and 991 by horses, or more than enough to circle the earth. In addition, he covered hundreds of miles on foot, often through forests—lumber men have told me that Captain Dollar, even at seventy, could walk most lumberjacks off their feet.

Cedar Rapids Manufacturing and Power 5's—1953

Dominion Iron and Steel 5's—1929

Laurentide Power 5's—1946

Montreal Light, Heat and Power 4½'s—1932

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"I began to survey the world's potentialities," said Captain Dollar, speaking of this stage of his career, "and, looking to the future, I analyzed that the vastest undeveloped market for lumber was the Orient, particularly China. Before making a final decision I went twice to China and looked over the whole ground.

"How could this trade best be handled?' I next asked myself. I was inland. Moreover, Michigan's supplies of big lumber were nearing exhaustion. Clearly, San Francisco was the natural, the ideal location; besides, California had rich supplies of redwood. So I moved there in the late eighties. We found by and by that it was easier to get lumber, and to get customers, than it was to get vessels.

"I investigated. I discovered that ships were making abnormal profits at the high freight rates charged. There was obviously only one thing to do—acquire ships. My first ship paid for itself within the first year. We did not merely carry over to China and Japan our own cargoes of lumber, but industriously sought return freight, going after it wherever it was to be found, and making three-legged voyages, if necessary, to insure full ships homeward.

"The creation of comme[illegible] between the States and the Far East [illegible] became [illegible] of my major aims. I visited China eighteen [illegible] and made it my [illegible] to form as many friend[illegible] connections as possible between the two [illegible]. We found both the Chinese and the Japanese most dependable people to do business with—in fact, we have never been swindled out of a single cent in all our dealings with these peoples, a thing I wish I could say about our own and other white nationalities. Of course the most exacting care had to be taken on our part to live up to the very letter—to every dot of an 'i' and stroke of a 't'—of all our agreements."

A Wise Scotchman's Advice

"Let no young man seek a soft snap. Glass cases develop frail plants. Avoid the easy, lazy job. Shun the position that calls for little or no exertion, that does not keep you constantly on tiptoe in an effort to fill it well—better, in fact, than it was ever filled before. Don't run away from difficulties, from hard work, from hard knocks if need be. Hammering hardens and strengthens a young man. It tests his mettle. It develops him. It teaches him self-reliance, self-confidence, grit. It drums out cowardice or timidness, and makes him unafraid to stand up and fight until he learns how to win out.

"By 'real job' I don't mean a big, responsible position. It was a real 'job' felling trees and floating logs down difficult rivers and over rapids—I more than once almost lost my life and once had three of my men drown right in front of my eyes. The truth is that most jobs can be made 'real jobs' if they are filled by a real fellow, who wants to put all he can *into* it, not merely to get all he can *out* of it.

"The growth in this country's business has been so much greater than the growth in population that there are, relatively, a greater number of big jobs to fill than there used to be. To-day the only way to get men is to make them.

"In China, at Shanghai, Hankow and Tientsin, we are feeding, clothing, and educating in the Y.M.C.A.'s boys from twelve to fourteen, and are keeping them in school for five years. On Saturdays, when there is no school, they work in the office, learning American ways of doing business.

"Heretofore, the average American youth has not taken kindly to going abroad to fill openings, but the millions who are going overseas, and seeing something of other countries for the first time, will have their outlook on life broadened. They are likely to develop vision, to realize the importance of international commerce and the opportunities it offers.

"Here is a problem calling for foresight. The country should be educated to know that we will need foreign trade. We should lose no time in sending parties of our very ablest and most influential merchants and manufacturers to every country that we do business with. All chambers of commerce throughout the country should have committees of real live men to co-operate in this work in every part of the world. This is a national task in which all classes are equally interested. The British and other nations have business houses and coaling stations in all principal seaports of the world, backed up by branch banks. American houses and banks are conspicuous only by their absence. This should be remedied if we are to avoid trouble. It is up to us to have all plans ready when the emergency arises, as it surely will, so that we can tide our nation through a situation almost as full of danger as the war itself.

"Here is the most momentous opportunity ever known for the exercising of this quality which we have been discussing—foresight."

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1. Will the ending of the war help or hurt the price of such stocks as Baldwin, Bethlehem Steel, Midvale, etc.?
2. Are the coppers "peace" stocks or "war" stocks? What class do the automobile stocks come in? The oils?
3. Among the rails, are the standard dividend-payers or the low priced non-dividend payers the thing to buy?
4. As the war draws to its end, what is likely to be the course of interest rates? How will that affect the price of bonds?
5. Which are the best bonds to hold—the high-income producers or the old line investment issues?
6. Are short term notes or long term bonds the better proposition at present?
7. Does the putting into effect of the new tax law mean a general reduction in industrial dividends?
8. Can the stock market rise in the face of the tight money situation?
9. New influences on security prices are beginning to become operative. Do you know how to go about adjusting your investments so that you will be helped and not hurt?

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NEWS OF THE BOND MARKET

BOND MARKET HAS BEEN QUIET BUT VERY STRONG

Recent Public Sales Put Through at Advancing Prices

HOW PRICES ROSE

Interesting Schedule Published by a Toronto Bond House Showing How Yield Basis Has Dropped

There is little or no change in the market situation for Government and municipal bonds. The past two weeks, broken as they have been by the Christmas and New Year holidays, have naturally had their quieting effect on conditions. The supply of securities is still decidedly short and each public sale gives evidence of an increasing firmness in prices. When issues like those of Barton Township and the Soo sell at a premium on a 6 per cent. rate, and when Greater Winnipeg Water District bonds, which not so long since were on a 6¾ per cent. basis, are offered at 6 per cent., it shows how rapidly bond values have been appreciating. That prices will not go much higher—for some time at least—is now regarded as likely, inasmuch as the determining factor will be the position of Victory bonds and in the meantime quite a number of new issues are expected, which will have a tendency to hold down quotations.

How Prices Have Risen

An interesting illustration of how bond prices have advanced is afforded by a schedule just issued by McDonogh & Somers, Toronto. This schedule contains a list of all the more important Government and municipal bond issues of 1918, up to and including the Victory Loan, with particulars as to amount in each case, interest rate, maturity, issue price and approximate current market quotation. From this list, which is well worth examination, the following particulars may be extracted:—

Security.	Rate.	Maturity.	Yield.	Yield.
Saskatchewan	5%	1932	6%	5.75%
Manitoba	6%	1928	6¼%	5.76%
New Brunswick	6%	1928	6⅛%	5.70%
London	6%	1928	6⅛%	5.75%
Ontario	6%	1928	6%	5.55%
Regina	6%	1923	6¾%	6.25%
Brit. Columbia	5%	1928	6½%	5.80%
Nova Scotia	6%	1928	6%	5.70%
Calgary	7%	1928	7%	6.25%
Saskatchewan	6%	1938	6.3%	5.70%
Alberta	6%	1928	6.4%	5.80%
Gt. Winnipeg	6%	1923	6¾%	6.00%

Two Issues by Tender

The township of Barton opened tenders for four blocks of bonds, aggregating $66,355.15, on Friday of last week. These consisted of $50,000 6 per cent., 30-year school debentures; $6.026, 6 per cent., 20-year sidewalk debentures; $7,376, 6 per cent., 10-year macadam road debentures and $2,952.69, 5½ per cent., 20-year sidewalk debentures. The bonds were awarded to Wood, Gundy & Co., at $67,961 or 102.42. Following are the offers received:—

Wood, Gundy & Co.	$67,961
W. A. McKenzie & Co.	67,761
Can. Bond Corporation	67,530
Dom. Securities Corp.	67.397
G. A. Stimson & Co.	67.350
A. E. Ames & Co.	67.343
Morrow & Jellett	67,239
C. H. Burgess & Co.	67,181
Turner, Spragge & Co.	67,172
A. Jarvis & Co.	67.160
W. L. McKinnon & Co.	67.159
Housser, Wood & Co.	67.128
MacNeill & Young	67.107
R. C. Matthews & Co.	66.554
Morgan Dean & Co.	66.356
Sterling Bank	65.727
C. R. Clapp & Co.	65.597
Nesbitt, Thompson & Co.	65,087

On Monday the city of Sault Ste. Marie sold an issue of $30.000, 6 per cent., 10-year patriotic bonds by public tender and received fourteen offers for the lot. The issue was awarded to G. A. Stimson & Co., at 100.17. Following were the tenders:—

G. A. Stinson & Co.	$30.051
Aemilius Jarvis & Co.	30.009
Canada Bond Corporation	29.778
Wood, Gundy & Co.	29.742
Dominion Securities Corp.	29.570
C. H. Burgess & Co.	29.508
A. E. Ames & Co.	29.469
Brent, Noxon & Co.	29.466
W. L. McKinnon & Co.	29.424
McDonogh, Somers & Co.	29.411
Housser, Wood & Co.	29.391
W. A. MacKenzie & Co.	29.262
R. C. Matthews & Co.	29.253
McKay & McKay	29,100

Other Recent Awards

The town of Bowmanville has sold to Brent, Noxon & Co., an issue of $50.000, 6¼ per cent. debentures, maturing 1920-1939.

The town of Arnprior has placed with Turner, Spragge & Co., a small block of $1,200, 6½ per cent., 20-year bonds.

The town of Weston has disposed of an issue of $26.000, 6 per cent., 15-instalment bonds to Brent, Noxon & Co.

An issue of $32.000, 6 per cent., 15-instalment telephone debenture has been sold by the Township of Gramahe to Brent, Noxon & Co.

Sherbrooke, P.Q., has placed with Versailles, Vidricaire & Boulais, Montreal, an issue of $90,000, 5-year, six per cent. bonds to cover local improvements completed this year. The price paid was 97.50 and accrued interest.

St. Thomas has completed a successful counter sale of $120,000, six per cent. debentures, running from one to ten years.

A despatch from Victoria, B.C., states that on December 21 an issue of $125,000 consolidated bonds of that city was placed on a 6 per cent. basis.

An issue of $125,000, 6 per cent. 20-year bonds of the Regina Public School Board has been sold to Nay E. James, Regina, subject to the approval of the Local Equipment Board

An issue of $20,000, 6 per cent., 30-instalment school debentures of the Township of Korah has been awarded to G. A. Stinson & Co.

NEW FIRM IN MONTREAL

Foster, Barrett, Riepert & Low as Bond Dealers

A new firm of bond dealers has been been organized in Montreal, Foster, Barrett, Riepert & Low. They will specialize in Government and municipal bonds, in which the members have had a valuable experience with some of the leading bond houses in the city. The head of the firm is H. A. Foster, who has been connected for a number of years with the Dominion Dredging Company. Mr. P. P. Barrett was for several years connected with R. T. Leclerc & Co., and Nesbitt, Thompson & Co. O. V. Riepert for eight years was on the Montreal staff of the National Trust Company, and Harold A. Low was for a similar period with Hanson Bros. The offices of the firm were opened on Thursday of this week at 406 Dominion Express Building.

EDMONTON BOND DEALER SENTENCED

Borrowed Money From Bank on Security of Worthless Debentures

A case of considerable interest to bond dealers came up recently in the Supreme Court at Edmonton. It was a charge against A. F. Carrothers of securing money under false pretences from the Edmonton branch of the Union Cank of Canada. As presented in brief to the jury by S. B. Woods, K.C., for the prosecution, the case showed that Carrothers was the principal partner in the Alberta School Supply Co., doing business in Edmonton in 1916-17. Part of the business was dealing in school debentures. In 1916 the defendant made application to the Union Bank for a line of credit to the extent of $20,000 on the representation that he had bona fide school debentures, and on this understanding he secured the line of credit. It afterwards appeared that the debentures had no validity, and the crown proposed to show that, in securing debentures from school districts, the accused adopted the plan of finding some technical fault with the first debenture issued by the school district, securing a second one, retaining the first or invalid one and placing it as security in the bank.

Several secretary-treasurers of school districts, which had had dealings with the accused, were called and all showed that bonds had been duplicated and interest coupons presented on both the valid and invalid ones. The evidence of the bank manager went to show that the debentures deposited with him were represented to be valid, Carrothers stating that, if at any time the manager wished it he would have the bonds taken to the Department of Education for verification. It was on this representation that the money was advanced.

Carrothers, in his own defence stated that the bonds had been placed with the bank merely for safe keeping and to show the manager that the business was forthcoming. He denied emphatically that the bonds had been placed there as security.

The jury returned a verdict of guilty, and Judge Walsh imposed a term of imprisonment of six months on the accused. In giving sentence the judge criticized the carelessness of the school trustees in failing to insist on the destruction of worthless debentures.

NEW PARTNERSHIP

D. J. McDougald & Co. Open Offices In Toronto to Deal in Bonds

Announcement is made by Duncan J. McDougald, late manager of the Banker's Bond Company, Limited and J. B. McArthur, late secretary of the same organization, that they have formed a partnership to transact business in Government, municipal, public service and corporation securities under the name of D. J. McDougald & Co. The company's offices are located in the Trusts and Guarantee Building, Toronto.

VANCOUVER HAS PLACED LARGE ISSUE OF NOTES

Sells $2,600,000 Five-Year Sixes to Toledo Bond House

GETS VERY FAIR PRICE

Notes Have Been Issued For the Purpose of Consolidating All Tax Arrears Up to End of 1916

VANCOUVER. — The city has placed $2,600,000 five-year six per cent. treasury notes, issued under the consolidation tax scheme, with Spitzer, Rorick & Co., of Toledo, Ohio, at 95½ (New York), which is equivalent to about 97 locally. Local houses also tendered. The price obtained is equal to many former pre-war rates and financial authorities on the coast say that the deal has been completed most satisfactorily, while at the same time the council has found a means of riding them over a delicate situation, there being no definite relief in sight to provide for next year's due payments to the Toledo firm.

When the negotiations were first opened with the different bond firms, the best price offered was 94, but continued sessions brought the offer up to 95½. Alderman Kirk, chairman of finance, held out until the last for a price of 96. The closing figure effected a saving to the city of $43,160. The new loan is to be paid back in five annual instalments, of which the first four are to be $300,000 each, the last payment to be $1,400,000. The city reserves the right to redeem the whole amount on any interest date after the first year on any or all of the $1,000 six per cent. bonds which comprise the loan.

The council approved the negotiations and at the conclusion of the deal Stanley Burke, bond department manager of Pemberton & Sons, local representatives of Wood, Gundy & Co., of Toronto, expressed his satisfaction with the amount of consideration shown local houses. Mayor Gale replied that it was the policy of the council to consider local representatives first wherever advantages for the city could be secured.

THE YEAR'S BOND SALES

Exchanges in Montreal and Toronto Did a Big Business

The listing of the Victory Bonds on the exchanges during the last seven days of December resulted in sales of $400,300 in Montreal. The month of December showed total sales of bonds at $1,283,725, the largest for any month of 1918, and $256,425 ahead of November's total of $1,027,300.

For December there was ten times the amount of business done in securities as in December of last year, the total number of shares comparing as 133,194 to 13,748.

In Toronto December bond sales amounted to $636,250, this being far and away the largest month of the year. For the year bond sales aggregated $3,522,000, this comparing with $5,425,600 in 1917 and $2,804,735 in 1916.

ESTABLISHES NEW FIRM

T. S. G. Pepler, of Toronto, Opens Offices in Royal Bank Building

Under the firm name of T. S. G. Pepler & Co., a new financial house has been established in Toronto for the purpose of dealing in Government, municipal and corporation bonds. Mr. Pepler, the principal of the firm, has had long experience in the bond field and his decision to enter business for himself will be noted with satisfaction by his many friends on the street. Pepler & Co. have opened offices in the Royal Bank Building.

BOND HOUSE REORGANIZED

Bankers' Bond Co. of Toronto Has Some New Officers.

Following the retirement from the Bankers' Bond Co. of Toronto of Sir Frank W. Bailey and Frank P. Wood, J. P. Watson, vice-president of E. & S. Currie, Limited, and the Mining Corporation of Canada, Limited, has been elected president, and Harold A. Greene, vice-president. Mr. Greene has been with the company for five years, having entered it to take charge of the stock brokerage branch of the business. Under the new executive heads the company will inaugurate a more active policy in regard to the saving investments system, which it inaugurated four years ago. This system provides for the purchase of bonds on the instalment plan, payments being accepted on the basis of $10 per week or month upwards.

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Res. Liab. of Proprietors £4,000,000
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The Bank Has 181 Branches, viz:

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FIELD OF MUNICIPAL FINANCE

MONTREAL NEEDS 15 MILLION TO RUN IT COMING YEAR

Of This Fixed Charges Call For More Than One-half

TAX PROPERTY $1.35

Extra of 35 Cents Per $100 Voted Again—Cutting Down Expenditure to Save City From Deficit

The budget for 1919 has come before the City Council of Montreal and was adopted this week in its essential points. The most important item so far as extra revenue is concerned was the special tax of 35c per $100 on all real estate, making the total $1.35 per $100. This was levied last spring in the face of protests from the Proprietors' League, and it was thought that this year an attempt might be made to omit this from the new budget. At an incomplete session of the Council the commission's recommendations were adopted by a small majority. This week an attempt was made to reconsider the action taken but this was declared illegal, as a motion to reconsider, made at the meeting on Friday of last week had been defeated, making any reopening of the question impossible except after six months. This will ensure ample revenue, it is thought, to save the city from any danger of a deficit. Soon, if this keeps on it will have the habit of meeting its own way.

Debt Charges Take 46 Per Cent.

In addition to this real estate tax the city will continue the water tax of 6 per cent in place of 4 per cent., a business tax of 8½ per cent., the tax on public utilities of 5 per cent., and the bachelors' tax of $10 each. The total estimated revenue is $14,963,659, not including the school tax which brings in $3,981,101. Out of this amount the fixed charges are $7,640,154, leaving a balance of $7,323,505 available for the purposes of administration. Decreases in assessment reduced the revenue this year by some $206,000. The debt charges alone are $6,921,809, compared with $6,952,815 last year, or 46 per cent. of the total revenue, and of this only $763,000 is for sinking fund.

In the six months since they took office the Civic Commission claim to have reduced expenditure of administration by $652,060. The year commenced with a deficit of $180,000 owing to the estimated revenue of $15,633,442 falling to $15,169,382. Out of the total available the sum of $2,647,572 goes for administration, as compared with $3,104,386 last year, and this year has to meet in the smaller amount $205,000 increase for labor and materials.

Out of the total, salaries call for $4,154,284, compared with $4,577,930 last year. As a matter of fact the cuts in salaries amounted to $600,000, but the commissioners granted increases to all on the staff who were receiving under $1.500.

The following sets of figures show the various amounts devoted under special heads and indicate the decreases the new commissioners have made in the cost of administering the city since they took office:

	1918
Revenue estimated	$14,963,059
Fixed charges	7,640,154
Avail. for admin.	$ 7,323,505
Decr. in rev. over 1918	206,000
Decr. for admin. purp.	$ 238,891
Revenue in 1918	15,169,382
Deficit, beg. of year	188,000
For gener. admin., 1919	2,647,572
Do., 1918	3,104,386
Salary list, 1919	4,154,284
Do., 1918	4,577,930
Redn's in salaries	600,000

Reductions for 1919

	1919	1918
Mayor's office	$ 1,950	$ 3,150
Law dept.	69,000	76,720
Comptroller's	40,300	42,980
City Clerk's	38,616	67,587
Treasurer's	273,137	296,479
Public Works'	1,296,725	1,495,639
Police sal.	1,238,490	1,344,505
Rec's court	35,950	40,012
Fire dept. sal.	854,900	932,199
Public health	273,530	278,653
Pub. wks. cost	1,910,939	1,845,648
Finance dept.	384,844	372,012
Police adm.	136,092	121,906
Fire adm.	196,057	267,601
Health adm.	411,319	451,854
Pensions, etc.	85,000	68,161

As to Exemptions

A proposal has been made by Ald. Dixon that for the next four or five years the city should tax exempted property, which exceeds $110,000,000. Included in this, he declares, is over $40,000,000 worth, a large part of which is owned by religious communities and not used for religious purposes, some of it being under cultivation. Dominion Government properties exceed $13,000,000 in value and should be taxed as well, he claims, while Provincial properties are clase to $5,000,000. He has asked that the Civic Commission prepare a report on the subject, declaring that taxes should be collected on all property exempt, with the exception of churches, schools, hospitals and benevolent institutions, "Inasmuch as it is a well known fact that the real estate is already overburdened and that the property holders cannot hold their properties if the heavy taxes they presently have to pay are not reduced." He had prepared the following list of properties whose exemption he thinks should be abolished:

Dom. Gov't. prop.	$ 13,417,190
Prov. Gov't. prop.	4,917,500
Harb. Com. prop.	24,153,250
Other prop.	27,391,195
Land exempted	40,962,775
	$110,841,910

Money By-laws

Those investors who wish to keep in touch with the municipal bond market will find this department useful. It aims to be accurate and convenient. THE FINANCIAL POST makes a specialty of municipal bond news. Municipalities will find it to their advantage to send in direct news of contemplated bond issues.

TENDERS WANTED

Jan. 4, Brantford Township—$17,427.26 in 5½ per cent. debentures of the Township of Brantford, maturing 1920-1933.

BY-LAWS PASSED OR DEFEATED

Trenton—$7,000 to complete payment for erection of new high school. Passed by council, Dec. 2. Registered Dec. 12.

Bentinck Township—$1,500 to pay for balance of debt incurred in obtaining hydro-electric power. Passed by council Dec. 14. Registered December 18.

Stratford—$12,000 for soldiers' insurance; $50 000 for patriotic fund contribution. Passed by council Dec. 16. Registered Dec. 20.

Tillsonburg—$700 for sidewalks; $4,000 for macadamizing road. Passed by council Dec. 16.

London—$100,000 for medical school at Western University carried; $50,000 for purchase of industrial sites carried; $16,000 in grants to various patriotic organizations carried; $100,000 for new dam at Sprinkbank defeated at municipal elections, January 1.

Kitchener—$10,000 for purchase, establishment and improvement of cemetery carried by ratepayers January 1.

Sarnia—$55,900 for waterworks intake; $15,000 for water mains; $9,000 for incinerator and $11,000 for pavements, carried by ratepayers Jan. 1.

Hamilton—$117,000 for storm sewers; $50,000 for market shelters, carried by ratepayers Jan. 1.

Chatham—$4,500 bonus to Denby Motor Truck Co., defeated by ratepayers Jan. 1.

Mimico—$15,000 to pay for buying and storing a supply of wood for fuel, passed by council Dec. 16; registered Dec. 23.

Alvinston—$2,807 for purchase of plant of the Alvinston Power Co., passed by ratepayers, 144 to 4, on December 20.

Brant Township—$15,000 to pay balance of debt incurred in securing Hydro-Electric power, passed by council Dec. 16; registered Dec. 19.

BY-LAWS TO BE VOTED ON

Jan. 6, New Liskeard—$30,000 in 6 per cent. 10-year debentures to pay for the construction of permanent road on Whitewood avenue.

Jan. 6, Casey Township—$6,000 in 7 per cent. 15-installments for road construction.

Jan. 6, Brethour Township—$6,000 in 7 per cent. 15-instalments for road construction.

Jan. 6, Tuckersmith Township—$1,500 in 5½ per cent. 5-instalments for the purpose of relieving Kruse Bros., brick and tile manufacturers.

Jan. 6, Weston $60,000 to provide for building a new school.

DEBENTURE NOTES

Moose Jaw—In the matter of the debentures to the sum of $100,000 authorized by the ratepayers for the construction of the pipe line, these will be hypothecated to the Bank of Commerce in order to raise funds for the payment of the contractors. The sinking fund trustees will then purchase from the city its holdings of Victory Bonds and the city will gradually redeem the debentures in the bank. It will thus be able to retain its Victory bonds longer.

BOND SALES

$300 Can. Cottons at 80; $6,300 Cedar Rapids at 88 to 87⅛; $3,250 Dominion Textile "C" at 97; $25 Dominion Glass at 35½; $25 Laurentide Power at 61; $1,000 Montreal Power at 87; $9,000 National Breweries at 90; $4,000 N.S. Steel at 83; $500 Price Bros. at 84⅛; $5,000 Penmans at 87½ to 87¼; $500 Steel of Canada at 94¾; $1,000 Wabasso at 84; $500 Wayagamack at 81; $9,300 War Loan (1925) at 96¾ to 96; $2,600 War Loan (1931) at 96 to 95⅛; $54,200 War Loan (1937) at 97¼ to 97; $227,880 Victory Loan (1922) at 100 to 98; $151,150 Victory Loan (1927) at 101¼ to 99⅞; $140,850 Victory Loan (1937) at 102⅛ to 101¼.

MORE TAXES FOR B.C. MUNICIPALITIES ARE ADVOCATED

Proposal That the Province Should Forego Certain Levies

BUT OMITS GRANTS

In This Way Municipalities Would be Able to Raise Larger Revenues, While Province Would Gain

VICTORIA.—A controversy has been in progress for some time on the relative taxing powers of the province and the municipalities. The attitude taken by the provincial authorities is that with a falling revenue it is impossible to adopt any other course but that of retention of existing sources of revenue, and that no concessions can be made to the municipalities.

F. A. McDiarmid, solicitor of the Union of B.C. Municipalities, has recently prepared a memorandum showing how the Government could very well transfer the personal property tax, income tax, and motor tax to the municipalities.

Receipts From Taxes

"These taxes," he says, "at the present time are included in the provincial revenues and in the year ending March 31, 1917, raised a revenue to the Province of $712,576.08, as shown by the public accounts. This revenue did not include the Amusement Ticket Tax, but was divided as follows: Personal property tax, $291,412.83; income tax, $296,801.75; motor tax, $134,361.50. Total, $712,576.08.

"It is fair to assume that over ninety per cent. of the personal property tax and income tax, and over seventy-five per cent. of the motor tax came from the cities and suburban municipalities with which this memorandum is dealing. On that basis the taxation of the residents of these municipalities would be $630,154.33. Add to this the amount estimated in this year's estimates for amusement ticket tax, $220,000, which is exclusively an urban tax, and the taxation of the urban municipalities is $850,154.33.

"As against this, the Province gave direct grants to these municipalities for schools $642,511.05 and for hospitals $201,143.45, making a total of $843,654.50, or within a fraction of breaking even."

Forego the Revenue

He recommends that the Province should deal with the city and suburban municipalities on the basis of withholding these grants, and foregoing the revenue.

"No one who knows this Province," he declares, "will doubt that $291,412.83 does not represent the personal property taxation which would be collected under a system of municipal collection. This means that the total of the personal property in the Province, stocks of goods and merchandise, personal effects of all kinds, totals some $58,000,000. Surely there is more than that in any one of our large cities!

"The difference between municipal and provincial taxation in respect of these two items of personal property or business tax and income tax, is just the difference between an interested community on the spot, anxious to have collections made, and a disinterested community watching with amusement the efforts of a stranger from outside trying to obtain information. Even when the Provincial Finance Department is administered with the maximum of efficiency, this difference means a considerable loss of revenue, and if the Department is in the least loosely managed it makes all the difference in the world."

Pro and Con

He says further: The figures given in this year's estimates are a startling commentary on the whole situation. The estimate is: Motor licenses, $150,000; amusement tax, $220,000; income tax, $2,215,000; poll tax, $300,000, and personal property tax, $600,000. Total, $3,485,000. While on the other hand the Government gives to the municipalities by grants for schools and hospitals a sum of $1,342,500. Of official estimates of the motor licenses at least 65 per cent. are in these municipalities, or $100,000; the amusement tax is almost wholly, or $220,000; income tax, at least one-half, or $1,107,500; poll tax, over 80 per cent., or $240,000, and personal property at least 75 per cent., or $450,000; a total of $2,117,500; while of the grants for schools and hospitals there should be deducted for purely rural places about $200,000, leaving the grants at $1,142,500, or over $1,000,000 in favor of the Province.

"This million dollars," he argues, "is just about what the city and suburban municipalities need to save their land values, and to save themselves from bankruptcy. It would pay the Province many times over to give it to them rather than having them disturbing their own and the Province's credit in the money markets of the world."

Among other sources of revenue for the Province he recommends an unearned increment tax on land values.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

Date.	Plac eand Purpose.	Purchasers.	Rate.	Term.	Amount.	Price	Basis
Dec. 19	Vancouver, tax arrears	Spitzer, Rorick & Co., Toledo	6%	5-yr.	$2,600,000	95.50	....
Dec. 19	Sherbrooke, local imps.	Versailles, Vidricaire & Boulais	6%	5-yr.	90,000	97.50	....
Dec. 30	St. Thomas, local imps.	Local sale	6%	10-ins.	120,000	100.00	6.00%
Dec. 27	Barton Township, various	Wood, Gundy & Co.	6%	var.	66,855	102.42	....
Dec. 30	Sault Ste. Marie, patriotic	G. A. Stimson & Co.	6%	10-yr.	30,000	100.17	....
Dec. 30	Bowmanville, Ont.	Brent, Noxon & Co.	6¼%	20-ins.	50,000	....	....
Dec. 30	Weston, Ont.	Brent, Noxon & Co.	6%	15-ins.	26,000	....	....
Dec. 30	Cramahe Township, phones	Brent, Noxon & Co.	6%	15-ins.	82,000	....	....
Dec. 30	Arnprior, Ont.	Turner, Spragge & Co.	6½%	20-yr.	1,200	....	....
Dec. 26	Greater Winnipeg Water Dist.	Wood, Gundy & Co.	6%	5-yr.	1,000,000	97.48	....

JANUARY INVESTMENTS

We have an attractive list of securities suitable for the re-investment of January dividends and interest. Particulars gladly furnished on request. Correspondence invited.

W. A. Mackenzie & Co.
TORONTO, CANADA
GOVERNMENT AND MUNICIPAL BONDS

Interest Paid on Floating Moneys or Funds Awaiting Investment

If you have any money which you want to keep liquid and yet have it earn a fair rate of interest while you are looking for a given investment, this Company will allow you 4% subject to call at any time. We accept only a limited amount, however, in this way and those deposits shall not be greater than are collaterally secured by our Victory Bonds.

Under our guaranteed certificates we invest money for three and five year periods to yield 5%, those certificates being secured by the Company's first Mortgages, held on capital account, as well as by the Company's Reserve: Interest computed and payable half yearly.

We also offer for sale first mortgages running for five years bearing the current rate of 8%, where the Company's own Inspectors in each and every instance have carefully valued the security and on which the Company has not lent, in terms of the Trustee Act, a greater amount than 50% of the ascertained Cash Value—often in fact no more than 33%. Those are gilt edge securities chiefly of the improved farm class.

We specialize in the investment of funds belonging to Insurance Companies, Fraternal Orders, Hospitals, Colleges and Municipal Sinking Funds, yielding them safe and satisfactory returns.

The Standard Trusts Company
346 MAIN STREET WINNIPEG
Capital $1,000,000 Reserve $600,000

INDUSTRIAL ADVISORS
A specialist in your particular industry can find and strengthen the weak spots in your business structure.
A consultation now will save much expense later and loss in the meantime. We are at your service.
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BANK OF HAMILTON BLDG. *Industrial Advisors* TORONTO, CANADA

PROVIDING FOR LOANS

Edmonton Will Borrow Against Tax Arrears and Revenues

The finance committee of the Edmonton City Council has recommended the passing of a by-law empowering the city to borrow $1,000,000, at 6 per cent., against the 1918 tax arrears. This by-law will be given a first reading and then be submitted to the public utilities board for its ratification.

The committee also recommends a by-law to borrow $2,500,000 against current revenue for 1919. It has been the practice heretofore to borrow in smaller amounts, $500,000 or $800,000 at a time. The new idea is to consolidate the loan. The by-law is permissive. It does not necessarily mean that the city will borrow and spend $2,500,000 this year.

SELL TO SINKING FUND

Calgary Provides for Bank Loan by Selling Bonds to its Fund

At the final meeting for 1918 of the finance committee of the Calgary City Council, it was decided to meet $635,000 liabilities falling due before the end of the year by borrowing $450,000 from the various banks; $100,000 from the depreciation funds and taking the remaining $85,000 out of tax collections. It was explained that $100,000 borrowed from the Molsons Bank to enable the city to complete a payment to Spitzen, Rorick & Co., had not been included. To cover this loan, debentures had been set aside to be sold to the sinking fund.

A wire was read at the meeting from a Toronto bond house asking if the city would consider selling one-half million or one million Calgary bonds immediately providing an exceptionally attractive price were offered. The city clerk was instructed to inform the company that Calgary was selling no city bonds at present.

A STILL BETTER BASIS

Toronto Harbor Debentures Actually Sold on a 5.42% Basis

When it was announced, after the recent sale of Toronto harbor debentures, that the price realized was on a basis of approximately 5.48 per cent., one circumstance that rendered the sale even more favorable was overlooked. This had to do with the accrued interest, which amounted to something like $16,000. Figuring the exchange on the accrued interest as well as on the principal sum, the cost of the money to the Toronto harbor commissioners actually works out at about 5.42 per cent. An already remarkably good price is thus rendered all the more satisfactory.

NEW PARTNERS ADMITTED

Wood, Gundy & Co. Take in Two Prominent Members of Their Staff

Announcement was made this week that Wood, Gundy & Co. had admitted to partnership two members of their staff, Arthur W. Scripture and William E. Wilder. Mr. Scripture has been in the employ of the house for the past twelve years and is experienced in both the buying and selling of bonds. He has also had a close personal acquaintance with the British and American bond markets. When the London, England, office of the company was opened in 1910 he spent nearly a year there and later, when the American end of the business developed, he was placed in charge of it, becoming manager of the New York office in 1916. He has been located at headquarters in Toronto for the past year. Mr. Wilder, who is a University of Toronto man, joined the firm in 1911 and has been exceedingly successful in the sales department, winning a reputation as an aggressive and convincing salesman. He became manager of sales in Canada and held this position in the organization until recently.

Municipal Finance

—Now that the war is over—it seems reasonable to expect that normal conditions will soon return and permit Municipalities to issue loans of a more permanent and conservative character.

—Therefore present financing should be for short periods of not more than, say, five years.

—We are open to purchase total new issues of Government and Municipal Bonds of such short maturities.

RENE-T. LECLERC
Investment Banker
160 St. James Street Montreal
ESTABLISHED 1901

Invest In Victory Bonds

We can offer these bonds—due at any maturity—at the best market price.

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We eliminate waste effort and save you much money in your business by the application of modern and approved methods.

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Route Your Shipments
CANADIAN NORTHERN

"The Dawn of a To-morrow"

The war having ended so happily it is believed that a better world will rise out of the ruin—more of beneficence, equality, fraternity and sympathy with "the other fellow" will prevail in the great "to-morrow" that is dawning. Life insurance embodies these great conceptions and will be one of the big movements that "will come into its own." Now is the time to make life insurance your life work. The war has given the institution of life insurance a great impulse and it is appreciated to-day as never before. It is calling for men of the highest abilities and the finest character. Sell life insurance: and sell mutual life insurance for the mutual system is popular because it is based upon strictly democratic principles. If not as an agent then as a member you will be welcomed into our organization—

THE MUTUAL LIFE ASSURANCE COMPANY OF CANADA
WATERLOO : : ONTARIO

SOLID GROWTH

Up-to-date business methods, backed by an unbroken record of fair-dealing with its policyholders, have achieved for the Sun Life of Canada a phenomenal growth.

Assurances in Force have more than doubled in the past seven years, and have more than trebled in the past eleven years.

To-day they exceed by far those of any Canadian life assurance company.

SUN LIFE ASSURANCE COMPANY OF CANADA
HEAD OFFICE—MONTREAL

THE
CANADA NATIONAL FIRE
INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, MAN.

TOTAL ASSETS $2,387,634.14

A Canadian Company Investing its Funds in Canada

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The Independent Order of Foresters

Furnishes A Complete System of Insurance

Policies issued by the Society are for the protection of your Family and cannot be bought, sold or pledged.

Benefits are payable to the Beneficiary in case of death, or to the member in case of his total disability, or to the member on attaining seventy years of age.

Policies issued from $500 to $5,000. For further information and literature, apply to

Benefits Paid 58 Million Dollars

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HEAD OFFICE - - TORONTO

5½% INTEREST RETURN

INVEST YOUR SAVINGS
In a 5½% DEBENTURE of
The Great West Permanent Loan Co.

SECURITY

Paid-up Capital	$2,412,566.31
Reserves	756,580.13
Assets	7,168,537.29

HEAD OFFICE, WINNIPEG
BRANCHES: Toronto, Regina, Calgary, Edmonton, Vancouver, Victoria, Edinburgh, Scotland.

The
Dominion Life
Assurance
Company

obtained 40 per cent. more business in 1918 than in any previous year in the Company's history. Write for particulars of the splendid results achieved for policyholders in the year just past.

Established 1889.

Head Office - - - - - - - Waterloo, Ont.

INVESTORS' INSURANCE NOTES

N.F.U. ORGANIZES LOSS INFORMATION SERVICE BUREAU

Actuarial Bureau Has Claim Data From Millions of Names

STARTS THIS MONTH

Expected That About 25,000 Cards With Records of Loss Claims Will be Sent Out During Year

NEW YORK.—The Actuarial Bureau Committee of the National Board of Fire Underwriters has announced to the members that it has about prepared to commence a loss information service by a system of cards, which will indicate the number and date of fire loss claims previously presented by any individual or corporation, and also as to whether there were any questionable circumstances. Its data upon which its card information system is based were compiled from the claim files of the Bureau containing approximately 2,500,000 names, among which were found several thousand having three or more fires.

The new loss information service will be started in January, and it is expected that about 25,000 cards with records of loss claims will be of sufficient value to members to be sent out during the first year of the service. The card system will be so arranged that no improper information can leak out, which would injure improperly those named on the cards, and the facts set forth on the cards in such a manner that there can be no claims for liability for damage against those using the service. The announcement of the new service is as follows:

Loss Information Service

"Among the resolutions adopted at the special meeting of the National Board of Fire Underwriters, October 29, 1914, when it was determined to establish the Actuarial Bureau, there appears the following:

"'That a part of the work of the Bureau shall be . . . (c) to make and maintain an alphabetical index of all loss claimants as reported by the companies with the fire record of each, such information to be for the benefit of the subscribers of the Bureau.'

"As a result the claimant file of the Bureau contains approximately 2,500,000 names and among them are several thousand having three or more fires and some of questionable origin. Since the organization of the Bureau the committee has given considerable study to determine the best means whereby any of this information which might be of value to our membership could best be promulgated to the companies interested. The opinions of our own and other able counsel have been obtained, and the legal features in connection with this work have been thoroughly considered.

"It is the opinion of all that the plan hereinafter set forth—which has been unanimously recommended by the Actuarial Bureau Committee and approved and adopted by the executive committee—will fully protect all companies subscribing to the work of the Actuarial Bureau from a suit because of the liability of questions being raised respecting the information transmitted by the bureau with regard to loss claimants.

More Than Three Fires

"The plan in brief is as follows: Information will be furnished to companies as to all claimants who have had three or more fires, fires of questionable origin, and unsatisfactory claims, and also of changes of names and addresses or retirement from business when such information is available. This information will be given to members on cards 3 x 2¼ inches, showing the name of assured, location, state, city, street and number, date of fire or fires, cause of fire, occupancy and indication of amount of loss. In the case of fires of suspicious origin, attempted fraud, or anything questionable, positive statement will not appear on the card but a reference mark thereon will suggest that if any member is interested additional information may be obtained by addressing the Actuarial Bureau. Confidential code numbers and letters will be used as far as possible, and only inquiries made by properly authorized employes will receive attention.

"It will thus be noted that only a comparatively small proportion of the cards in the claimant file will be sent to the membership—probably not exceeding 25,000 the first year. It is also the intention of the bureau to furnish information respecting large fires, where the property loss thereon has exceeded $100,000 with a short statement as to the probable cause and extent of the fire.

Ask for Reports

"The committee now asks that the companies request their adjusters and all employes filing reports in respect to losses and claimants to be accurate in the data furnished and make them as complete as possible. If this is carried out the value of the service will be greatly increased and for the benefit of all. We also believe instructions should be given to loss clerks of the companies that if they find occasion to write their local representatives respecting a claimant or a loss, no reference be made to the fact that information has come to the attention of the Actuarial Bureau. We think members will appreciate the reasons for these requests.

"It is the hope of the committee to have this service in effect during January, 1919, beginning with one or more States, until the service is complete for the entire 48 States. The bureau will furnish to its merbership sets of cards, but companies will have to supply filing cabinets and guide cards. It is the hope of the committee that members will, if possible, establish a central department to which to refer the cases in question and thereby reduce the number of sets that will be required. In any event the committee's plans are being made anticipating that the larger companies will not wish more sets than the number of departments of the company, and the smaller companies with all departments consolidated, not more than one set. We therefore ask companies to advise this office promptly of the number of sets of cards it will desire. The sets will be furnished complete to the home office of the companies, and if any division thereof is made it will be expected that the home office will arrange for it rather than the departmental offices making requests direct to the bureau."

A UNIFORM SYSTEM

British Columbia Will Now Be Rated Same as Other Provinces

W. L. Foster, Secretary of the Mainland Fire Underwriters' Association of Vancouver, announces that in conjunction with the Vancouver Island Association a new system for rating stores, warehouses, small manufacturing and office premises, together with their contents, has been adopted for application to cities under municipal fire protection in British Columbia, the same to take effect from January the first.

Mr. Foster states that the underwriters, before arriving at their decision, considered various schedules in use in Canada and the United States. Some of the most important schedules utilized elsewhere were applied to many buildings in the larger centres of the province with the result that the schedules of other Canadian Fire Associations, having jurisdiction in Alberta, Saskatchewan, Manitoba, Ontario and Quebec, will replace those at present applying in British Columbia.

The introduction of a new system such as this necessitates a tremendous amount of detail work, consequently the re-rating of the entire province will extend over a considerable period, but it is the intention to deal with the larger cities first.

The advantages claimed for these schedules are numerous. With their adoption in this province the whole of Canada will be on a uniform basis, as the fire companies in the Maritime Provinces have lately introduced them.

SUBSTANTIAL GAIN

Sun Life Wrote Over $2,500,000 More Than in 1917

The preliminary figures issued by the Sun Life Assurance Company covering the year 1918 show a new high record established for new business in any one year. Up to December 23, the date on which the books are closed to new business, the new business written amounted to $57,806,966 as compared with $55,164,468 in 1917, an increase of $2,642,498. As compared with 1916 the increase is nearly $10,000,000. Of the 1918 total, the Montreal agency in charge of J. C. Stanton jr., wrote $4,642,151, which ran $145,901 ahead of 1917, and $504,241 in advance of 1916.

PAYING THEIR LOSSES

Fire Companies Interested in Halifax Disaster Meet Claim

The fire insurance companies interested in the Halifax disaster of December 6, 1917, are now paying the losses under their fire policies. The terms of the settlement provide that all losses except dwellings and small stores are to be paid on the basis of the adjusted loss after deducting the explosion damage. The losses on dwellings and small stores are to be settled on the basis of 25 per cent. of the face of the policies. All losses are being paid to the Halifax Relief Commission, which will secure releases from the assured on behalf of the insurance companies.

LIQUIDATION OF LIFE COMPANY MAY BE PROBED

Application for Inquiry Into Vancouver Life Co.'s Affairs

HEAVY LAW COSTS

Alleged That $11,000 Had Been Collected at a Cost of $7,200 to Pay Claims of Only $1,000

VANCOUVER.—An application has been made for an inquiry into the liquidation of the defunct Vancouver Life Insurance Company, with a view, if found necessary, to have the liquidator and his solicitor removed from office. The application was made on behalf of the wife of Sheriff Richards of Victoria, one of the shareholders. In explaining the situation, Mr. Grant, lawyer for the applicant, said the Vancouver Life Insurance Co. was floated some years ago by one Newell Van Sickle, a promoter, who sold the shares at a premium of $25, which premium he took for the promotion expenses, agreeing to pay all preliminary and flotation expenses out of his share. Most of the shares paid a first call of $35, though on some, larger amounts had been paid.

The company, said Mr. Grant, never did a cent's worth of business because it did not sell enough stock to enable it to make the deposit of $50,000 and secure a certificate entitling it to commence business. A year ago, to clear it out of the way, it was decided to wind the company up. The only liabilities known at that time were about $1,000 of unpaid bills in connection with the flotation. F. F. Busteed was appointed liquidator with W. G. Anderson as his solicitor.

Eaten by Lawyer's Costs

"We are at a loss to know what there was to wind up. All the company has done was to give Van Sickle a contract to collect subscriptions," said Mr. Grant, who stated that the liquidator had from time to time started suits against subscribers for shares for the payment of unpaid amounts. "Up to the time of this report," said Mr. Grant, "fifty lawsuits have been commenced, twenty judgments have been obtained, $11,000 collected, of which over $7,000 has been taxed for solicitor's costs. The thing will be nearly all eaten up by lawyer's costs."

The suit against Mrs. Richards, said Mr. Grant, was only a County Court action for $500, yet the costs had been charged at $272.15, of which $252.50 had been allowed on taxation.

Mr. Grant complained that instead of merely taking one or two claims enough to meet the liabilities, or instead of suing all at once, the liquidator had been going to the court every now and then and starting a few lawsuits, so that to go all through the list the liquidation would last another five years. He contended that subscribers for shares had been the victims of fraud by Van Sickle, who had not carried out his obligation to meet all promotion expenses, and that as the liquidation was only made possible through Van Sickle's alleged fraud, the liquidator ought not to have proceeded against the subscribers on their notes. He suggested that the motive of the liquidator, who was one of those who had paid a considerable sum on his shares in the first instance, might be to bring everybody else in, so that in the wind-up he might get a portion of his own subscription back again out of the general surplus.

Liquidator's Duties

"The gravamen of this case," said Mr. Justice Morrison, "is that it is said the liquidator and his advisers knew of the element of fraud, yet went on multiplying actions against these poor people. That strikes me as being much more important than the question of the amount of the costs. If that is proved, I may say, I will not hesitate to act."

C. W. Craig, counsel for the liquidator and his solicitor, stated that the law was quite clear and he had so advised Mr. Busteed and his solicitor, that any fraud practised by Van Sickle upon the subscribers did not relieve their obligation to the liquidation. It was the liquidator's duty, he said, to make all the subscribers pay up, even if there had been fraud

Mr. Craig stated that as a result of the actions, $16,000 had been collected to date and more is coming in. The principal item in the liabilities had been a sum of $1,500 due for law expense in connection with extensions of time for procuring a charter at Ottawa, but since the liquidation had started a claim had been admitted for

ASSESSMENT SYSTEM
CANADIAN ORDER OF CHOSEN FRIENDS
HEAD OFFICE. HAMILTON, CANADA.

The Order furnishes life insurance to members in accordance with the Standard of the Government of Ontario. Sick and funeral benefits are also given if desired.

No charters are granted to Local Councils outside of Canada. Being confined to this healthful Northern Zone, the death rate is small and rates proportionately low. The Order has already paid over five million dollars in death and disability claims, and over five hundred thousand dollars in sick and funeral benefits.

Over 600 Councils in Canada. If there is not one in your locality there should be. For full information write to any of the following officers:

Dr. J. W. Edwards, M.P., Grand Councillor. — W. F. Montague, Grand Recorder.
W. F. Campbell, Grand Organizer. — W. H. Woods, M.D., Grand Medical Ex.
HAMILTON - ONTARIO

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Assets, over - - $3,500,000.00
Losses paid since organization, over - $43,000,000.00

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Fire, Marine, Explosion and Automobile Insurance.
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CANADIAN NORTHERN

a refund of $3,000 subscribed by a man whose shares had not been allotted when the company went into liquidation.

In regard to the legal costs, Mr. Craig pointed out that all the bills had been passed by the registrar after being passed upon by G. R. Long, solicitor for the creditors.

"I am quite willing that my own bill for counsel fees amounting to about $700 should be re-taxed and Mr. Anderson tells me he is quite willing that the same should be done with his bills," said Mr. Craig.

Mr. Justice Morrison reserved his decision, requesting the liquidator in the meantime to supply him with a list of the shareholders so that the court might decide whether it is opportune to call a meeting.

CASUALTY PREMIUMS

Exchange Notifies Brokers of Direct Cancellation in Case of Non-Payment

Manager William S. Collins, of the Casualty Insurance Exchange of New York, has formally notified brokers of the rules recently adopted to enforce prompt collection of casualty insurance premiums. After reciting the text of the resolution adopted, and giving a list of the companies which have pledged themselves to enforce the resolution, Manager Collins says:

"Your attention is specifically directed to the fact that each company is obligated to send a cancellation notice direct to the assured as to all policies, the premiums of which have not been paid to such companies by the 10th day of the second month following the effective date of the policy, and it is important that you should understand that, without further notice to you, the companies will hereafter automatically issue cancellation notices direct to the assured in accordance with these rules. Your attention is also called to the fact that additional premiums upon payroll adjustments are due and payable upon the 20th day of the month immediately following the month in which the adjustment is made."

REAL ESTATE AND MORTGAGES

B.C. GOVERNMENT PLANS SOLDIERS' LAND PROJECT

Buys 22,000 Acres of Land in the Southern Okanagan

TO BE IRRIGATED

The Project Particularly Commends Itself to Development by Units Which Tend to Keep Down Overhead

VICTORIA.—For the purpose of inaugurating a large scale land settlement scheme for the ultimate benefit of returned soldiers, the Provincial Government of British Columbia has just completed a deal whereby it secures a tract of 22,000 acres of land in one of the best districts of the South Okanagan. The land skirts the Okanagan River for a distance of twenty miles and there is a fine stretch of bench land adjacent to Osoyoos Lake and running to the international boundary, which is particularly well adapted to the successful raising of fruit. The lands which are open and practically ready for the plough were formerly owned by Shatford Bros., by whom they were disposed of to the Southern Okanagan Land Company, who sold them to the Government for a consideration of $350,000 or about $15 per acre.

It is understood that the Government will embark on the work of irrigation by easy stages, bringing areas of a couple of thousand acres at a time under irrigation. It is expected that the new scheme will have a most important bearing on the settlement of the interior and a tremendously increased fruit production for the Province.

In making the announcement of the Government proposal, Hon. T. D. Pattullo, Minister of Lands, declares that in his judgment, the acquisition of the property will constitute the best development scheme of like proportions in the Province.

Much Preliminary Work

"In carrying out our plans it may be found desirable later to intersperse soldier settlement with other experienced and capable settlers. This will have to be determined as circumstances dictate," observed Mr. Pattullo in elaboration of the general policy of the Department of Lands and the Government have in view to increase development. "There will necessarily be a very large amount of preliminary work in connection with the project;" he said, "such as the checking up of surveys for the construction of irrigation works, the subdivision and survey of the whole tract, the laying out of townsites, and the locating of right-of-way for railway. This will furnish work for returned soldiers during the construction period and will put them in a position to make and save money, which will assist them in acquiring the lands after irrigation works have been constructed and water has been rendered available.

"The project particularly lends itself to development by units, which will keep down the overhead and render its economic success more easily of accomplishment. In the carrying out of our plans we think there should be no difficulties in so arranging matters that we can co-operate with the Dominion Government under its legislation, so that Dominion assistance should be available to returned soldiers under their legislation."

Fine Potentialities

"Last summer," Mr. Pattullo recounted, "I went over this ground with the Water Comptroller and it struck me as a great pity that this large tract of what is undoubtedly as fine a territory as there is in British Columbia should be practically uninhabited, when by the placing of water thereon it could be quite as flourishing as the Vernon, Kelowna and Penticton districts. There are those who say this district is superior to the three districts named, on account of the fact that the season is considerably earlier. I am not prepared to make that statement, but I am satisfied that it is as good as the districts already flourishing and is capable of supporting many people.

"The tract has been reported on by several engineers, amongst them Dr. Elwood Mead, who is known as an eminent authority on irrigation matters and is undertaking highly important work for the State of California, as well as the Reclamation Service of the United States; by F. H. Latimer, who has probably had more experience in irrigation matters than any other engineer in the province; by J. C. DuFresne, also an engineer of experience.

"The feasibility of the project has been carefully considered by William Young, Comptroller of Water Rights, who has now had many years' experience on irrigation matters in this province.

"The project also has received the consideration of other officials of the Government," said the Minister in conclusion, "including the Grazing Commissioner, the Superintendent of B.C. Soldier Settlement, and the Deputy Minister of Lands, the knowledge of the last named official of this tract of land extending back some twenty years.

"We propose to formulate plans of operation immediately in order that actual development may begin with as little delay as possible. This is a project worth while. It is constructive work in a large way and I feel perfectly sure will redound greatly to the benefit not only of the returned soldier, but to the province at large."

REASONS FOR REAL ESTATE IMPROVEMENT

New York Authority Enumerates Six General Reasons For Optimism

"With peace assured real estate will be in demand as an investment as never before at any time," says Charles F. Noyes, of New York. "I look for a hesitating semi-inactive market for the next few months. I hope we will have no immediate 'boom,' but I do believe that once the upward swing of increased activity and higher prices commences, which it should within six months, it will gradually increase in volume and scope until we find the broker busy selling real estate to willing investors, operators, builders and the many firms and corporations made wealthy during the past few years.

"A number of reasons why the real estate market is certain to improve and trading become active are: First—An analysis of the balance sheet of almost any business or of our large corporations indicates a much stronger financial position than ever before. Large cash reserves are on hand in almost every instance. Second—Generally speaking, stocks are depleted, due to governmental control or the heretofore uncertainty of the buying market. Third—Larger premises are now required to look out for these larger stocks, and as a result of the war new markets have been thrown open for trade, and besides this country will have a tremendous business with every country on the face of the earth and be called upon for supplies, machinery and manufactured goods as never before. Fourth—Mortgage money, slowly at first but eventually in larger amounts, will seek investment in real estate. Fifth—Real estate is in a stronger position than ever before. Weak holders have been eliminated from the market, mortgages generally reduced and property is now selling at a lower value than ever before. Incidentally, buildings are rented at higher rentals than heretofore and it is one investment commodity that has stood up through the years of depression and for the past few years with practically no assistance from the Government in regard to mortgages or mortgage financing. Sixth—The lifting of governmental restrictions on building and the probable lifting in the near future of governmental restrictions on business will also be of incalculable value to business in general and real estate in particular.

"Many other good reasons can be advanced that will lead to greatly increased trading in real estate at higher prices, and so certain are most leaders in the real estate field that a much broader market is coming that many express hope that it will not come in a rush, but instead the advance will be gradual and not spectacular."

BRITAIN TO LIFT BAN

Applications for Municipal Loans To Be Considered First.

LONDON. — The following statement has been issued by the Press Bureau:

"Owing to the cessation of hostilities, some reduction in the national expenditure for war purposes may be anticipated, and, although the capital requirements of the State must necessarily continue to be large for some time to come, the Government is anxious to begin as soon as possible to relax the restrictions upon capital issues in so far as such issues are urgently necessary for the establishment of local service, trade and industry upon a peace basis.

"While such relaxation must necessarily in the earlier stages be of a gradual and tentative character, regard being paid to the comparative urgency of the various purposes for which issues are required, the local Government board or other appropriate department is now, in conjunction with the treasury, prepared to consider applications from local authorities for permission to raise loans in order to enable them to put into operation schemes of public utility, such as housing, water supply, sewerage, hospitals, gas and electricity, maintenance and construction of roads, which are of urgent importance.

"In view of the impossibility of providing any large sums for advances from the Local Loans Fund while direct borrowing for the National Exchequer continues, it will not be possible at present to consider applications for loans from that fund except in the case of the smaller authorities for very urgent services, and then only to a very limited total amount.

BUYS CORNER BLOCK

Canadian Pacific Railway Co. Acquires Building in Winnipeg

The Canada Life building, situated on the corner of Portage Avenue and Main Street, in Winnipeg, has been purchased by the C.P.R. Company. For many years they have held a lease on the property and only recently decided to acquire it. Henceforth the block will be known as the Canadian Pacific building. Following the sale, it was stated, by a C.P.R. official, that the telegraph offices would be moved during February from the present location to this building. No changes will be made in the location of other departments. The ticket office will remain in its present position, and the remainder of the block will be leased.

Deputy Jacques Stern, of the French Chamber of Deputies, estimates war expenses of France at $50,000,000,000; Great Britain $40,000,000,000 and Belgium $4,000,000,000. Thus the Allies have a right to demand $94,000,000,000 from Germany.

ROYAL BANK OF SCOTLAND

Incorporated by Royal Charter 1727.

Paid-up Capital	**£ 2,000,000**
Rest and Undivided Profits	**1,030,470**
Deposits	**29,202,380**

HEAD OFFICE:
St. Andrew Square, Edinburgh
Cashier and General Manager, A. K. Wright
Secretary, J. B. Adshead
London Office—3, Bishopsgate, E.C. 2
Wm. Wallace, Manager
Alex. Dick, Deputy-Manager
Glasgow Office—Royal Exchange Square and Buchanan Street
A. Dennistoun, Agent
Thomas Lillie, Sub-Agent

167 Branches throughout Scotland

Banking business of every description transacted. Deposits received and interest repayable at call or at notice. Drafts, Circular Notes, Letters of Credit and Cable Transfers issued available throughout the world. Foreign exchange. Accounts opened and agency business undertaken for Foreign and Colonial Banks and other financial establishments. *Correspondence invited*

The President Has the Right Idea

IT was the Annual Meeting of the Weaver Knitting Company, makers of underwear and hosiery. The particular itemof the balance sheet that excited the caustic comment of one shareholder was the moderate sum of $13,567.83 for advertising. "When we are so much oversold," said he, "surely it is not necessary to keep on spending money to advertise our goods." And there were some who thought as he did.

"Gentlemen," said the President, "if you figure it out, our advertising expenditure for the year is about 1%—not a very heavy sum to pay out to maintain the good name and favor which our brand enjoys. There was a time when we had to spend a good deal more than the sum in the balance sheet to get our brand into the retail stores of the country, and to induce the public to buy it. I am unwilling to cut out advertising, and I'll tell you why.

"Our men are not canvassing with the diligence they gave to the work of selling when business was harder to get. They are not calling as often as formerly, and when they go, they are not very urgent. But we would be committing suicide if we ceased to court the good-will of the retailers and to keep our brand in the public eye. We have and will have competition. We must have regard for the post-war trade. If we quit our solicitation now, we shall have to do double work later on, at a heavy cost. I am authorizing our present advertising as a form of business insurance.

"Our goods continue to be sold through the retail trade. We owe it to our retail customers to keep in solicitous touch with them—to show them that we value their co-operation and good-will, even though we cannot always fill their orders. We tell our retail friends the naked truth, and we are keeping their loyalty. If we pursued any other course, I fear we would greatly rue it in days to come.

"Our advertising latterly has put us in touch with many new accounts and prospects. Our men cannot call on as many men as they did when train schedules were better than they are to-day. We are employing advertising to lower selling costs, and if Mr. ——— will give me half an hour after this meeting, I think I can satisfy him that our advertising outlay has played a large part in putting our balance sheet in the good terms in which it appears.

"Our trade mark is worth, as an asset, a goodly sum—many scores of thousands of dollars. That value has been created and maintained by our previous advertising. But, Gentlemen, if we dropped our advertising during these war years, the certain thing is that the value of our trade mark would fall sharply, and the good-will and co-operation of the retail trade would likewise fall away. From this point of view it is good business to spend 1% or so to maintain the value of our trade mark and the asset known as good-will.

"Gentlemen," proceeded the President, "I am sorry to have taken so much time to defend our policy. Need I say more?"

UPON that, Mr. ————, the objecting shareholder, rose and said: "I wish to withdraw my criticism of the item of advertising expenditure. I had not looked at the matter as our President has presented it. I feel rebuked. Also I am persuaded that the President's course has been wise, and I wish to say to him and to you all that I sincerely regret my criticism."

Among the mediums serving retailers used by the Weaver Knitting Company are:

Dry Goods Review	**Page, 12 times in the year**	**$420**
Men's Wear Review	**Page, 12 times in the year**	**360**

These are ridiculously small sums to expend to maintain retailers' good-will and co-operation, and get by-mail business.

Other mediums serving Canada's retailers and which wil be of interest to other firms are:

Canadian Grocer	**Page, 52 times in year**	**$1,560**
Hardware and Metal	**Page, 52 times in year**	**1,560**
Bookseller and Stationer	**Page, 12 times in year**	**360**
Sanitary Engineer	**Page, 24 times in year**	**504**

ADVERTISING to the retailer is too valuable a salesman to omit from one's organization. And the cost per annum is quite too small to be a barrier. Also there is this: Whether or not the manufacturer believes in advertising, his retailer customers and prospects do. So it is wise to fall into line with the wishes of customers—the men who call the tune, because they pay. We have hundreds of letters to prove this.

We are always glad to discuss this matter of advertising with manufacturers—not in a strong-arm way, but reasonably. If we have the right idea, it certainly becomes profitable for manufacturers to possess the same idea. We solicit correspondence from interested manufacturers.

The MacLean Publishing Company, Ltd., Toronto, Canada
Also at MONTREAL, WINNIPEG, NEW YORK, CHICAGO, BOSTON and LONDON, ENG.

THE
STERLING TRUSTS CORPORATION

For the WELFARE AND HAPPINESS of those you will some day leave behind, take the precaution to appoint this Corporation as your
EXECUTOR AND TRUSTEE.
Write to-day for our booklet on this subject.
10 AND 12 KING STREET EAST.
HEAD OFFICE—TORONTO

A NEW YEAR SUGGESTION

Amongst the many matters to be arranged or rearranged at the New Year, surely Life Insurance is one of the most urgent. No man can count his affairs in order until he has assured, so far as human foresight can assure, the continued welfare of those dependent upon him.

A Great-West Life Policy will give this assurance on terms remarkably attractive. Rates are low, conditions liberal and clearly expressed, while the profit returns to Policyholders are notably gratifying.

Let us explain the best Policy for your needs.

THE GREAT-WEST LIFE ASSURANCE CO.
Dept. "G"
Head Office: WINNIPEG
"Buy War Savings Stamps"

HEAVY FORGINGS
We Are Prepared to Make
PROMPT DELIVERIES
OF
-:- ROUGH TURNED -:-
SHAFTING
RUDDER POSTS
MARINE ENGINE FORGINGS

DOMINION FOUNDRIES AND STEEL LIMITED
HAMILTON, CANADA

CO-INSURANCE

Our Appraisal Service affords the only safe method of estimating the amount of insurance protection required under the terms of the Co-Insurance Clause. It also insures the quick and equitable adjustment of a fire loss.

The Canadian Appraisal Co., Limited
TORONTO—Royal Bank Bldg. MONTREAL—17 St. John St

Travel Government Lines
The Lake Shore, Rideau Route
TORONTO AND OTTAWA

Scenic by Day
Comfort by Night

READ DOWN					READ UP	
†8.45 a.m.	*10.00 p.m.	Lv.	TORONTO Union Station	Ar.	†8.45 p.m.	*7.45 a.m.
†6.00 p.m.	* 7.30 a.m.	Ar.	OTTAWA Central Station	Lv.	†11.30 a.m.	*10.15 p.m.

* Daily. † Daily, except Sunday.

BY DAY—Dining and Observation Parlor Cars and Comfortable Coaches
BY NIGHT—Standard Sleeping, Compartment Buffet Cars and Coaches

Tickets and information from nearest C.N.R. ticket agents, or write General Passenger Department Montreal, Que., Toronto, Ont., or Winnipeg, Man.
1286

CANADIAN NORTHERN RAILWAY

Investors' Information Bureau

Any subscriber to THE POST may write the Investors' Information Bureau for special information on any Canadian security, or other financial matter in which he may be interested. Inquiries are treated confidentially, and answered by mail. This service is free to subscribers, but inquirers should enclose stamp for reply.

IRON FOUNDRIES MAKE PROGRESS TO BETTER POSITION

Gain in Net Earnings and Ample Provision For Depreciation

ON PRE-WAR BASIS

All Materials Cut Down in Valuation—Liquid Assets Stronger—Investments $300,000 Up

The annual report of the directors of the Canada Iron Foundries Limited, for the year ending Sept. 30, 1918, although showing little increase in net earnings, owing to the much heavier costs of production, show a stronger position of the properties of the company at what might be called a "rock-bottom" valuation, or as the statement expresses it, the inventories of raw materials and finished and unfinished products "have been reduced to the values prevailing in August, 1914." The gross foundry earnings for the year, before providing for depreciation or the reduction of inventories, amounted to $580,824.32, as compared with the figure of $528,097.60 for last year. From this there was deducted $188,225.30 sufficient to bring up to $504,911.65, the amount appropriated to reduce the stock of raw materials and supplies and manufactured products on hand as at Sept. 30, 1918, to pre-war prices (for the appropriation as at Sept. 30, one year ago, was $316,686). The balance was $392,599, which with the addition of $36,533 for interest, discount and exchange, and the balance of $5,995 brought forward from last year made a total of $435,128.42.

From this were deducted depreciation on foundry buildings and machinery based on values as fixed by the Board of Directors, $141,472; "A" debenture and sinking fund, $34,088; "A" debenture discount, balance written off, $17,155; maintenance of non-operating plants, $39,211. There was also charged against earnings, for renewals and extensions of plant, the sum of $134,721. This includes the balance of $53,278 expended at Three Rivers, previous to Sept. 30, 1917, but which the net earnings of that year did not suffice to provide for. The balance of the sum was expended during the current year on the plants at Three Rivers, Fort William, Hamilton and St. Thomas.

There remained to the credit of profit and loss account $78,479, and this allowed 2½% interest to be paid to the "B" debenture stockholders in respect of the year, a balance of $6,866.66 being carried forward.

In the previous year's report it was stated that arrangements for the sale of the furnace at Midland were completed; during the current year the company had an opportunity of disposing of the balance of the Midland property, and also of the material and stores on this property, which it was thought advisable to take. The purchase price, which is payable over a term of years, will be appropriated in part to the redemption of "A" debenture stock. In addition a property at Drummondville has been disposed of for $10,000.

Referring to the business of the year the report states that "the business in wheels, miscellaneous castings, and machine shop work showed an improvement over last year. On the other hand the sales of pipes fell off. The demand for pipe in Western Canada continued very small and the pipe plant at Fort William remained closed."

After remarking that considerable expenditure had been made on the foundry properties during the year and much more would be required the directors state that "it is the belief of the Board that with the termination of the war, and the return of trade to normal conditions the policy of conservation of resources and improvement which has been followed will bear good fruit."

Profit and Loss Account

	1918	1917
Foundry earnings	$580.824	$528,098
Int. disc. and exch....	36,534	....
Other income	......	14,161
	$617.358	$542,259
Less amt. appropr.	188,225	229,820
To reach pre-war basis	$429,133	$312,439
Add bal. on hand......	$ 5,995	*$ 5,995
Deduct—		
Depr. on bld. & machy.	141,472	135.616
'A' deb. int. & sk. fd..	34.088	36,281
'A' deb. disc.—wr. off..	17,155	1.521
Maint. of non-op. plts..	29,211	33,597
Approp. to cost of renw. & extens. to fdrs. at Three Riv's, Ft. Wm., St. Thom. & Ham....	134,721	*105,423
B' deb. int. 2½%	71,613	......
Bal. car. for'd.	$ 6,866	$ 5,995

*Bal. at Oct. 1, 1916, really $13.494, but deductions brought this to $5,995 as at Oct. 1, 1917.

Higher Working Capital

It is satisfactory to note that with all the conservative policy of depreciation to pre-war prices—which may mean a goodly surplus for the company if post-war prices continue to keep far above pre-war prices—the working capital of the company improved during the year. The total of the liquid assets, allowing only for the inventories, the accounts and bills receivable, and the cash on hand and in banks, amounted to $1,350,294, as compared with $1,217,948 last year. The current liabilities amounted to $178,658 this year as against $136,531 a year ago, leaving the balance, net working capital, as $1,171,636 as compared with $1,081,417 one year ago. It should be noted in considering the assets of the company that the item of "investments" has not been included in either year's liquid assets, although this year at least a good proportion of the total consists of Government bonds, and Victory bonds henceforth must be considered as a very decided "liquid" assets of any company. What proportion of the investments may be taken as liquid assets does not appear, but in any case the investments compare as $728,180 this year as against $437,218 one year ago, or nearly $300,000 more, so that the working capital improvement really is far more than the figures given above indicate. The amount for investments is simply set down below the other for purposes of comparison. The figures for the past two years compare as follows:—

Working Capital

Liquid Assets—	1918	1917
Raw materials, etc. .	$ 462,637	$ 560,183
Bills and accs. rec..	826,379	621,157
Cash	61,278	36,608
	$1,350.294	$1,217,948
Curr. liabilities ...	178,658	136,531
Net wk. capital	$1,171,636	$1,081,417
Invest's (in addition)	728,180	437,218

The total assets are $7,567,577 compared with $7,726,656 last year. The balances receivable on properties realized, to be paid to trustee for "A" debenture stockholders, amount to $125,000.

The preference stock issued amounts to $2,200,000, the common stock to $1,800,000; the 6% "A" debentures to $238,800; and the 6% "B" debentures, issued or to be issued in exchange for first mortgage bonds of the Canada Iron Corporation, Limited, $2,864,520, a total of $7,103,320.

CANADA'S EXPORTS TO UNITED STATES

American Purchases in November Larger Than in Any Other Market

By Special Correspondent

NEW YORK.—During the month of November America imported from Canada to a total of $45,163,023, which is the largest amount purchased in any foreign market during the month, exceeding by $19,232,568 American imports from Japan, which follow next in amounts. Indeed, the development of American buying in the Dominion has been one of the most impressive factors of America trade abroad in the calendar year 1918.

In the 11 months ended November 30th America purchased a total of $416,825,562 in Canada, which compares with $282,625,775 purchased in the British East Indies and $280,203,968 in Japan, the next two most important foreign markets for the American buyers.

American imports from Canada of $416,825,562 compare with $377,442,482 in the eleven months of 1917, an increase for the year just closed of $39,383,080 or more than 10 per cent. The expansion of American purchases in the Dominion will be attributed immediately to the tremendous volume of war business for United States Government account, a factor that may no longer be counted as exerting an influence on the balance of trade.

"For ourselves it is to our interest to co-operate to the utmost limit in every enterprise of land and manufacturing development, and maritime trade, which the Dominion has planned or will undertake in the coming year. We stand together and racially alone in the great new world on the further outpost of Auglo-Saxon civilization."

"There is hardly a precedent for such close economic union, accompanied by such complete independence of political identity and such clear lines of demarcation of political development.

"Merchants and bankers of both countries now frankly admit that the war has given them such a vision of the breadth and liberality of spirit which should actuate nations in financial and commercial intercourse as they had not before conceived. On both sides we can do no better than to emulate the remarkable spirit of the Canadian banker who engages in the keenest competition.

Now that American war orders can no longer be reckoned with, Canada must rely upon other currents of trade to swell the volume of her export business with this country. It is believed that the United States is more than ready to continue the development of trading relations which she has formed with her nearest neighbor during the war period. "It may be said that the economic prosperity of this country is most intimately knit together with that of Canada," was a comment made in the Wall Street district this week.

Imports of $416,825,562 from Canada represent 14.7 per cent. of America's entire foreign purchases which for the eleven months' period totals $2,820,326,193.

The following figures offer a monthly comparison of United States imports from Canada over a two-year period:—

	1918.	1917.
January	$38,127,057	$21,979,490
February	22,759,868	19,360,655
March	28,511,745	22,796,899
April	34,248,398	27,734,545
May	39,862,481	43,244,201
June	37,961,398	40,875,516
July	37,253,927	36,517,340
August	40,664,084	34,481,128
September	45,315,954	37,137,671
October	46.959,884	39,187,671
November	45,163,023	49,132,505

UNLISTED SECURITIES

STOCKS—	Bid	Ask
Alberta Pac. Grain, com.....	115	125
Do., pref.	85	95
Atlantic Sugar, com.	21½	24
Do., pref.	64	70
Belding-Paul, com.	18½	23
Do., pref.	80	...
British Amer. Ass.	9	...
Canada Machinery, com.....	15½	19
Do., pref.	46	53
Carriage Factory, pref.	38	45
Can. Westinghouse	102	104
Canadian Oil, com.	42	46
Do., pref.	94	...
Dom. Power. com.	46	50
Eastern Car, pref.	48	55
Great West Life............	220	230
Home Bank	61	66
Imperial Oil	340	...
Illinois Traction, pref......	71	74
Inter. Milling, pref.	85	...
Murray-Kay, pref.	24	28
A. Macdonald, pref.	89	94
Wm. Neilson, com.	54	...
Sterling Coal, com.	14	18
Sterling Bank	85	...
Standard Reliance	38½	43
Trust & Guarantee	71xD	
United Cigar, com.	....	50
United Cigar, pref.	125	...
Volcanic Oil & Gas	85	90
BONDS		
P. Burns, 1924, 6s..........	99	103
P. Burns, 1931, 6s..........	96	99
Canadian Cotton, 5s	79	83
Can. Steamship Dbs., 5s.....	82	85
Carriage Factories, 6s......	84	89
Dominion Canners, 6s	91	94
Elec. Development, 5s	85	88
Eastern Car, 5s	89	85
Morrow Screw, 6s	87	90
Nova Scotia Steel, 6s	86	89
Ontario Pulp, 6s	83	86
Porto Rico, 5s	74	80
Riordan Pulp, 6s	92	95
Spanish River Pulp, 6s.....	84	86
Sterling Coal. 6s	71	76
Sao Paulo, 5s	80	85
Stone Limited, 6s	90	95
Toronto Power, 5s	83	86
Tor. & York. Rad., 5s	94½	98
Toronto Paper Co., 6s......	86	92

DIVIDEND PAYMENTS

Company	Date	Rate	Record
Can. Cement, com.	Jan. 10	1½%	Dec. 31
Merchants Bank, spl. .	Jan. 6	1%	Dec. 14
Shawinigan W. & Pr..	Jan. 10	1¾%	Dec. 27
Can. Car, pref.	Jan. 10	1¾%	Jan. 1
Bell Telephone	Jan. 15	2%	Jan. 31
Hill. Collieries, com...	Jan. 15	1%	Dec. 31
Do., pref.	Jan. 15	1¾%	Dec. 31
Dom. Textile, pref. ..	Jan. 15	1¾%	Dec. 31
P. Lyall Cons.	Jan. 10	2%	Dec. 31
West'house Elec., pfd..	Jan. 15	1¾%	Dec. 31
Can. Fairbanks, pfd...	Jan. 15	3%	Dec. 31
Montreal Telegraph ..	Jan. 15	2%	Dec. 31
Asbestos Corp., com...	Jan. 15	1¼%	Jan. 1
Do., pref.	Jan. 15	1½%	Jan. 1
Loew's Theatres, pfd...	Jan. 15	1¾%	Dec. 3
Tuckett Tobacco	Jan. 15	1¾%	Dec. 31
Can. Cement, com....	Jan. 16	1½%	Dec. 31
Maple Leaf Mill., com..	Jan. 18	2½+1%	Jan. 3
Do., pref.	Jan. 18	1¾%	Jan. 3
Nipissing Mines	Jan. 20	5+5%	Dec. 31
Toronto Paper	Jan. 21	3%	....
West'house Elec., com..	Jan. 31	1¾%	Dec. 31
Bank Nationale	Jan. 31	2¼%	....
Can. Southern	Feb. 1	1½%	Dec. 31
Steel of Can., com...	Feb. 1	1½%	Jan. 10
Do., pref.	Feb. 1	1¾%	Jan. 10
Penmans, pref.	Feb. 1	1½%	Jan. 21
Imperial Bank	Feb. 1	3%	Jan. 16
Standard Bank	Feb. 1	3¼%	Jan. 23
Granby Consol.	Feb. 1	2½%	Jan. 17
Merchants Bank	Feb. 1	2¾%	Feb. 1
Penmans, com.	Feb. 15	1½%	Feb. 5

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January 4, 1919

SPECIAL REVIEW SECTION

THE FINANCIAL POST

SECOND SECTION Pages 17 to 36

The Canadian Newspaper for Investors

VOL. XIII. SINGLE COPIES, 10 CENTS. PUBLICATION OFFICE, TORONTO, JANUARY 4, 1919. ANNUAL SUBSCRIPTION $3.00. No. 1

THE GOVERNMENT IS ORGANIZING A COMPREHENSIVE MACHINE FOR REPATRIATION OF CANADA'S ARMY

Efforts of Different Departments at Ottawa and of Voluntary Organizations Are Being Systematically Co-ordinated

SOMETHING ABOUT THE WORK OF H. J. DALY

"Doctor of Sick Businesses" is Largely Responsible For the Organization Being Effected Along Modern and Efficient Lines—The Labor Situation Throughout the Country Being Very Carefully Studied

THIRTY years ago, or more, some newspaperman with an eye for what the craft began to call later on a "human interest" or "sob" story, discovered that the survivors of the British soldiers who had taken part in the charge of the Light Brigade at Balaclava were drifting about the streets of London, human flotsam in the tide of the great city's life, with no one taking any particular interest in them. The world, which, on the authority of Tennyson, we are told "wondered" at the wild charge" they made, had apparently stopped wondering or thinking about the heroes in any way whatever. Kipling, who was just beginning to be known in English letters, happened upon the story and wrote a fugitive poem on the subject, which flailed the people who could forget their fighting-men so quickly. It appeared in a London weekly, and does not seem to have been included in his collected poems, but I recall vaguely the first lines:

"There were fifty million English who babbled of England's might;
There were fifty broken soldiers who wanted a home for the night."

It aroused England not only to the fact that it had a new writer of force, but to the plight to which its heroes had been abandoned; and the old men were gathered up and properly taken care of.

That incident was typical of the way in which the old soldier was treated in England a generation ago; and it was largely due to Kipling's soldier poems and stories that Tommy Atkins began to get his due. It is said that Kipling is not a favorite with the British soldier; but he certainly has put the army under a deep debt of gratitude to him.

Trooper Mulloy, in a recent number of *Reconstruction*, says there is reliable authority for the statement that seventy-five per cent. of the Crimean veterans ended their lives in the workhouse, and adds: "In Europe the ubiquity of the soldier-beggar after every great war during the eighteenth and early nineteenth centuries was proverbial and accepted as a feature of the war itself." Whatever may have been the aftermath of other wars, it seems reasonably certain that the Great War is not to be followed by any such lamentable pictures of ungratefulness. Whether the world is growing more grateful or merely more prosperous, it is apparent that it realizes its responsibilities to the men who have just been fighting for its security; and everywhere there is an organized and determined effort to see that the State shall do its duty to those who risked their lives for its preservation.

The Obligation to the Soldier

Formerly the world considered it had discharged its duties to its soldiers if, having broken them in the wars and rendered them incapable of earning enough to maintain themselves, it gave them a pittance in the form of a pension, which was never enough to keep them from want, and in the case of the British soldier, was usually only enough to cater to an appetite for beer. In Canada we did a little better; the soldiers who went to South Africa were given land scrip which amounted to more or less according to the time it was retained before being disposed of; and our pension system for disabled men was a little more liberal than usual; but so far as any real interest in the future of the soldiers on their return to civil life was concerned, it was lacking.

The effect of war, particularly if protracted for some years, on the character of the soldier is pretty accurately known, and so general that it may be considered a law. He becomes to a considerable extent mechanical in his reflexes. He has abandoned his initiative, and handed his thinking over to his immediate superior officer to attend to for him. The idea may appear humiliating to the man of strong individuality, but in controlling and swaying several million men, any other way would be impossible. The consequence is that enterprise and initiative in the individual have, to a large extent, been sacrificed to discipline.

Now, in the case of a new country, such as Canada, where initiative is not only necessary, but rather the rule than the exception, the man whose power in this respect is temporarily gone or lessened, is liable to be at a distinct disadvantage on his return to the competition of civil life. That he should be left to his own exertions to find his place and regain his equipment for the battle of life, would be an injustice not only to the men but to the State. So it is not only for the welfare of the returned soldier himself, but for that of the whole community, that he is taken in hand and put back, as quickly and easily as possible, into a position where all his powers, including that of making a livelihood under the most advantageous possible conditions, can be exerted.

Canada is attempting this duty in a big way, and along with it is preparing to handle that kindred problem of reconstruction involved in the turning loose of several hundred thousand people who were engaged in war work at home: the munition makers, the machinists, and others, both male and female, who either were engaged directly in war work or took the places in different employments of those who had gone to war. When we hear and read about Reconstruction, as we are constantly doing nowadays, it simply means the taking back into civil life ano civil occupations of the soldiers and war-workers, and of effecting this under living and working conditions which will be worthy of the sacrifices our soldiers have made. It is primarily a question of employment.

The Problem

The conditions are that you have a flood of surplus labor thrown on the market, with three streams feeding it: (1) Demobilized soldiers, (2) displaced war workers, (3) the possibility (which must and can be guarded against) of a group of ordinary peace workers thrown out of employment by a psychological depression—a "panic." Later on, we may and probably will have a fourth flood—the tide of immigration which is expected to set in toward Canada as soon as transportation is available, which will probably be in less than a year.

The Remedy

The remedy is three-fold: First, we have to bring surplus labor into touch with suitable employment, and this would include the work to be done by the department of Civil Re-establishment all the way from Great Britain or France to Canada; second, the actual providing of opportunities for employment—guaranteeing that there will be work for all this surplus labor; and third, the sociological problem—the providing of proper living conditions, such as housing accommodation, and the avoiding of industrial strife.

Various efforts to accomplish these ends were being made even while the public thought and said that nothing was being done; but they were handled by different Government departments, and by other bodies, Dominion and Provincial, as well as by voluntary organizations such as the Red Cross, the Patriotic Fund, the Soldiers' Relief Committee and so on. Then a new word appeared in the bright lexicon of the Government—it was the word Co-ordination. It is wonderful, the power of a word. Kipling once referred to words as things going up and down the world, and compelling men to do their bidding. It was Northcliffe who introduced the word to common usage on this continent, when he came to Washington to co-ordinate the work of the different British missions there—and did it, too.

A new word, when there is an idea behind it, is always acceptable. Co-ordination struck the imagination of

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Let Us Have Confidence In Ourselves

THE year which has just closed will go down as the most eventful in history—modern history, at least. The triumph of democracy and higher civilization means much in the world's advancement. Nor is the progress of government likely to be more marked than that of industry, trade and business. We are entering a new era in the relationships of capital and labor and of science and industry. Great strides have been taken to meet the exigencies of war. Necessity has been the mother of many inventions which spell progress. Industry has in a few years made great advances—perhaps those of a century—providing the machinery of war. Labor has on the field of battle won a position in relation to capital which it might long have struggled to attain in times of peace. Humanity as a whole must benefit from the things which have been won at such great sacrifice. There can be no turning back; there should be no desire to do so.

At the moment the future is clouded in some uncertainty; but the clouds are far from dark and there are many rifts in them. What is required is confidence—continued and sustained confidence. It was confidence in a just cause that made victory possible—a confidence that remained unshaken through the days when defeat loomed large. Surely the same spirit which was maintained throughout those sombre, dark days is not to weaken now that victory has been won. The confidence that won the war should not falter at the problems of reconstruction. The faith that reposed in the soldiers on the battlefield will surely find worthy continuance in these men as citizens. We had confidence in the armies to win battles of war let us have confidence in ourselves to win the battles of peace.

Confidence in ourselves. The phrase has a great significance at this time when the air is charged with the uncertainties of reconstruction, with its many social, industrial, commercial and financial problems. It means all individuals equally as their responsibilities demand. It means the individual wage in his own home, the foreman in relation to his department, the manager in relation to his concern, the executive in relation to industry, the manufacturer in relation to trade and commerce, the capitalist in relation to his undertakings—and all up and down the scale of the nation's activities.

Confidence in ourselves, too, means less dependency upon the Government. The chorus of demands on the Government to do things and the complaints of things not done have far too many voices. Let us ask of the Government intelligent regulation and constructive co-operation but not paternalism.

At the same time let us demand also that the standard of efficiency in the Government be raised to the highest possible point by the calling in of more of the business executives of the country to take the place of the arm-chair politicinas who win to position by the ability to win votes rather than to serve the interests of voters. Let these men assist in the negotiations for reconstruction business from Europe, the financing of such orders on a business basis, the establishment of proper trade relations with foreign markets, the readjustment of taxation and the tariff to a more intelligent basis in relation to individual industries, the efficient demobilization of the soldier and other problems of policy, but let every individual meet for himself those other problems which concern those whose welfare depends upon him and solve them to the best of his ability.

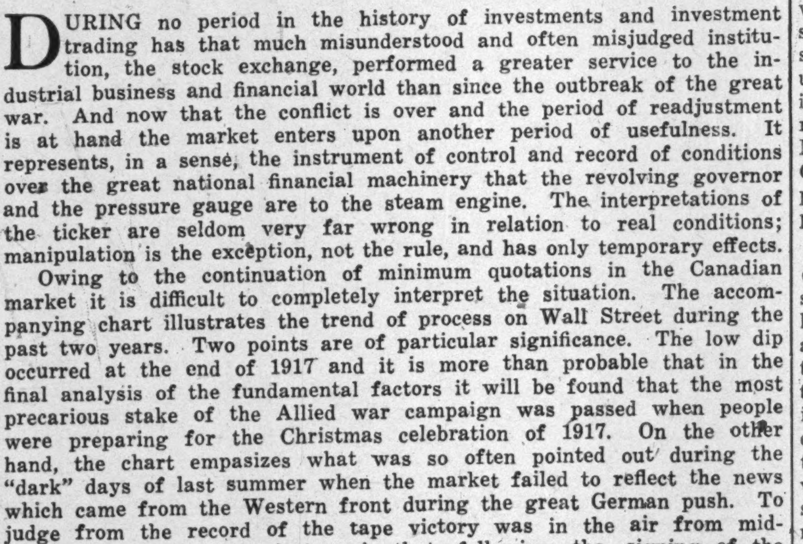
Reconstruction begins at home. Let us have confidence in ourselves.

THE EDITOR.

THE TALE OF THE TICKER

DURING no period in the history of investments and investment trading has that much misunderstood and often misjudged institution, the stock exchange, performed a greater service to the industrial business and financial world than since the outbreak of the great war. And now that the conflict is over and the period of readjustment is at hand the market enters upon another period of usefulness. It represents, in a sense, the instrument of control and record of conditions over the great national financial machinery that the revolving governor and the pressure gauge are to the steam engine. The interpretations of the ticker are seldom very far wrong in relation to real conditions; manipulation is the exception, not the rule, and has only temporary effects.

Owing to the continuation of minimum quotations in the Canadian market it is difficult to completely interpret the situation. The accompanying chart illustrates the trend of process on Wall Street during the past two years. Two points are of particular significance. The low dip occurred at the end of 1917 and it is more than probable that in the final analysis of the fundamental factors it will be found that the most precarious stake of the Allied war campaign was passed when people were preparing for the Christmas celebration of 1917. On the other hand, the chart empasizes what was so often pointed out during the "dark" days of last summer when the market failed to reflect the news which came from the Western front during the great German push. To judge from the record of the tape victory was in the air from mid-December. The second feature is that following the signing of the armistice there has been a dip. As is often the case the great event was evidently discounted by the market and the uncertainty regarding readjustment is now having its effect.



The heavy line shows the closing average price of fifty stocks, half industrials and half railroads. The black area shows the high and low average prices of the twenty-five industrials and the white area the corresponding figures for twenty-five rails.

—"The Annalist."

THE MENACE OF THE BOLSHEVIKI! INSIDIOUS INFLUENCES THREATEN RELATIONS OF CAPITAL AND LABOR

Never Has There Been a Time When it Was More Important That Industry and Workers Pull Together

THE DANGER OF ANARCHY BY INFERENCE

Propagandists Do Not Dare to Openly Wave the Red Flag, But They Laud the Efforts of Those Who by Bloodshed and Fire Are Tearing Down Established Institutions and Wrecking National Economic Structures

By T. M. FRASER
Resident Representative of The Financial Post at Ottawa

ANYONE who has followed the daily papers in the different parts of Canada, must have been struck, during the past six months, with the frequency of the recurring word "Bolsheviki." Unknown to the language two years ago, it is now one of the most common words in print or conversation. It has been cheerfully adopted because, like "camouflage" and one or two other words of war-origin, it defines intelligibly enough a rather complex situation.

The whole social-revolutionary movement which is more or less in evidence all over the world, the blind and ungoverned surging up of masses of people apparently without definite object except to over-turn and destroy, is Bolshevism. It has gained its currency because it is an all-embracing word for a very wide-spread social manifestation; and Bolshevism in Russia is akin to the fifty-seven varieties of agitation in Canada and the United States, because of an aim which all have in common: to overthrow established governments, to confiscate capital, and to make labor supreme.

The movement has been more or less disregarded here because of the general impression that Bolshevism is a menace only in those countries where the government is autocratic, such as it was in Russia. This is a mistake. The Bolsheviki have no more respect for democracy as they find it in the United States and Canada than for the society they over-turned in Europe. In fact, they probably have less; because here are found in greater numbers that "bourgeois" class—meaning, broadly, people who wash regularly, have acquired some stake in the community, and are reasonably satisfied with the government under which they are living—which is the special contempt of the social-revolutionary; the people who, like Monsieur Jourdain in "Le Bourgeois Gentilhomme," have been "speaking prose all their lives," and living prosily.

The Bolsheviks, like the I. W. W., (who are pure Bolsheviks), always insist to one another that they never have one dollar to rub aginst another; and they invariably lay the blame for this on those who have more dollars than themselves. This class, wherever it is found, is to be upset, and its dollars and the means of producing them are to be taken away and divided among those who will call themselves Bolsheviks. In its essence the new movement is pure anarchy.

The First Hand Menace

What is the immediate and serious menace of the movemnt on this continent It is, first: that the Bolshevism has gained great encouragement and strength through the disorganized condition in Russia, Germany, and a number of other European countries; and second: that its propagandists believe that, with the return of a great number of men who hove been detached from the more or less orderly existence which they formerly lived, and with society generally in a disturbed state, they will find a receptive field for the spread of their doctrines. Their hopes may seem wild to us and their chances for revolution small; but it must be remembered that men whose watchword is: "You have nothing but your chains to lose, and the world to gain," are prepared to take long chances. Even if nothing more should be gained than the promotion of widespread industrial and social disturbance, the Bolsheviks of this country would not be dissatisfied.

Established business everywhere is the shining mark at which the Bolshevik aims. If he can provoke a strike, hold up a contract, cause loss or destruction in a plant, or promote sabotage of any kind, the Bolshevik is happy. He feels he is doing something for the cause. The promoters of Bolshevism work among the ignorant and simple-minded especially. It is a movement headed by a few reckless and designing men of some ability and much cunning, and working among a mass of ignorant people who are susceptible to influence. When the police of Toronto, for example, make a round-up of some social-revolutionary group, they probably secure in their drag-net a large number of men of very low intelligence, who know little more of the purposes for which they are assembled than that, some time in the future, they are to get more money for their work. The people for whom they work have much money; they have very little. There is to be a grand re-distribution, in which they are to share. The redistribution is to be accomplished by means which their leaders unfold to them—in general terms it is true; but in language whose import is unmistakeable.

Anarchy by Inference

It will be understood that the leaders of this movement do not dare openly to say to their dupes: "You shall go on the docks in Montreal, or into the mines at Copper Cliff or Sudbury, and kill the bosses and seize their property, when it shall be yours." This would be too dangerous under present conditions. But they keep drillling into them how revolution has been accomplished in other countries by such means; they laud and sympathize with the leaders and means by which the same effect has been accomplished in other countries. In be found an article on this subject, in *MacLean's Magazine* for January, will which is given in some detail the spread of revolutionary doctrines and literature in Canada, and the different organizations operating here.

It is not contended that Canada is in any immediate danger from a revolutionary outbreak here, with physical violence. This continent is not ripe for that; but there is a wide and well organized revolutionary movement here, which seems to have its headquarters in Tornto, persistently engaged in disseminating Bolshevik doctrines, promting strife betwen labor and capital by emphasizing the fact that there is not and never can be sympathy between them, and looking hopefully to trouble ahead.

Dangers to Be Faced.

The immediate danger comes from two sources. The first is, that organized labor has shown more than a little sympathy towards such organizations and the sentiments they express; and the second is the headway which organizations like the I.W.W. have made in the United States, and parts of Western Canada.

The I.W.W. has made great use of a weapon which can be used with peculiar effectiveness in a country which is not generally sympathetic towards open violence, but in which there is an undercurrent of antagonism toward capital. Its weapon is sabotage, the meanest and most insidious scheme the devil ever put into the mind of man. The general idea underlying the doctrine of sabotage is to make business so unprofitable for capital that it will be forced to abandon its wealth-producing machinery, when, (if there should be anything left) labor will step in and possess it. It can also be employed to gain more immediate ends, as in the time of a strike, for example, sabotage

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BANKS ARE BLAZING THE TRAIL FOR DEVELOPMENT OF EXPORT TRADE IN MARKETS OF THE WORLD

Canadian Institutions Extending Connections in Europe and Far East

RELATIONS WITH U.S.

War and War Trade Have Been Responsible For Expanding Interests in New York

By J. HERBERT HODGINS, Statistician, Union Bank of Canada, New York

WHILE in the past Canadian banks have constantly extended their international position and importance there is [illegible] disposition to believe that a period of fresh progress, particularly in the foreign field, lies ahead, in the coming period of peace. Many of the foremost American banking institutions are setting up new foreign structures, the bankers of the United States going ahead of the foreign trade efforts, and Canadian banks are likewise showing activity.

The policy of Canadian banks in the past may be summed up in the words of Sir Vincent Meredith, Bart., "following the policy of many English banks we have deemed it prudent to refrain from establishing branches at points far afield where Canadian capital would be required in local and possibly competitive industries, preferring rather to strengthen and extend our relations with foreign banking houses and to retain their good will, thereby conserving our resources for the assistance and encouragement of home trade."

That this former policy is giving way under the stimulus of Canada's foreign trade ambitions is clear from every move the bankers of the country are making at this time. Continued extension abroad in the next few months is a reasonable forecast.

America's Lead

It should be emphasized that Canadian banks have made substantial progress abroad during the period of the war, which was a time of actual crisis for Canadian banks, having due regard for the enormous domestic banking accommodation sought, with Canada a young nation little schooled in the fundamentals of thrift and economy called upon to finance her own requirements.

American bankers became firmly entrenched in Latin America during the period of the war. American bankers set up in Russia and unfortunately witnessed the virtual collapse of the banking fabric which they had established in that now unhappy country. American bankers went to France and to Spain and now they are going to the Orient with new formed enterprises that trade with Japan and China's millions of subjects may be fostered. Better banking facilities between the United States and India are also being encouraged.

Canadians Abroad

While still "carrying on" Canadian banks undertook important departures abroad. Two years ago the Canadian Bank of Commerce established interesting Italian connections. Early in 1916 a group of British financial institutions entered into an agreement with an Italian financial group represented by the Credito Italiano, for the creation of two companies, the object of which was the development of economic relations between the United Kingdom and Italy and the promotion of industrial and commercial undertakings in Italy. The work which these companies is to carry on is similar to that conducted by the German credit banks. One phase of their activity presumably will be to underwrite and place the securities of companies engaged in Anglo-Italian trade and to facilitate the operations of such companies. The Canadian Bank of Commerce in November, 1916, acquired a substantial interest in the British-Italian Corporation, the function of the Bank of Commerce being to represent the company in Canada. Canadian-Italian trade in the past has gone largely through foreign hands, Canadian financial institutions receiving practically none of the benefits.

The next important step taken by a Canadian bank outside of the Dominion was the establishment of a New York Agency by the Union Bank of Canada in April 1917. With the coming of the Union seven Canadian banks had New York Agencies (there are now six, consequent upon the absorption of the Bank of British North America by the Bank of Montreal). In November, 1917, the Standard Bank of Canada virtually acquired a New York Agency when it became a shareholder in the new formed American Foreign Banking Corporation, and Mr. Easson, the Standard's general manager became one of the directors of the Corporation. Those Canadian banks which are not yet represented directly in Wall Street by their own Agencies have banking correspondents in New York institutions, but obviously this is not as intimate a relationship, nor as profitable.

> **RECIPROCITY IN BANKING**
>
> About a year ago it may be remembered that a proposal was put forward by Senator Cotillo of Manhattan in the New York State Legislature, that foreign banks in New York should be allowed to accept deposits. Naturally the proposal quickened interest among Canadian bankers who saw a new means of building up their business, at this point. But Senator Cotillo went to Italy on a wartime mission for the U.S. Government and his movement apparently was shelved for nothing more has been heard of it though many months have intervened.
>
> If Canadian institutions were permitted to take deposits it is argued that New York institutions would suffer little as the new competition after all would be small in contrast with the volume of general business offering. A vast number of Canadians reside in the United States, but so thoroughly accustomed are they to Canadian banking habits that they still prefer to send their accumulated funds to Canada to remain on deposit with Canadian banks. Managers of banks at Windsor, Ont., have practical evidence of this almost daily. The bulk of the deposit business which the New York agencies of Canadian banks could hope to secure would be of this very character, actually the money which New York banks would never secure for deposit. Perhaps out of the transitionary period may come a new scheme of banking in the U.S. which may include Senator Cotillo's proposal.

The Royal Bank of Canada, which even before the war had made considerable progress in the West Indies, furthered its connections in Central and South America during 1917. Four branches were opened in Venezuela, five in the Dominican Republic and several in the British West Indies. The Royal has other branches in Trinidad, British Guiana, British Honduras and Costa Rica. In view of these connections it was not surprising to find the Royal setting up in Barcelona, Spain, in the early part of 1918.

The recent move of the Royal Bank in opening a branch at Vladivostok, Russia, appears at first consideration the most radical departure yet undertaken by a Canadian institution. Yet it is understood that this unusually interesting venture was embarked upon because Sir George Foster, Minister of Trade and Commerce, urged the encouragement of commerce between Canada and Siberia. The Royal Bank's experience in international banking has been amply wide to warrant it going to this far away, but altogether promising field.

The opening of Paris branches by the Bank of Montreal and by the Royal Bank of Canada are the latest departures in what may be regarded as the new era of banking. Sir Vincent Meredith told the shareholders at the annual meeting that the Paris Branch of the Bank of Montreal was being established "not for the purpose of loaning Canadian funds but to supply necessary banking facilities for Canadians travelling abroad and to further the interests of Canada generally in France."

Internal Progress

Prior to the war Canada's internal progress was of such vital importance that Canadian bankers were fully absorbed with the domestic situation. Thus it was that the development of the Canadian branch bank system was carried out almost wholly within the Dominion, that it might serve to the uttermost corners of the nine provinces and the Yukon.

So intimate were the economic relations of Canada and the United States it was but the natural outcome that Canadian banks should establish across the line. The Bank of Montreal, pioneer among this country's banking institutions, was also the first to enter the United States. The Bank of Montreal established in New York in 1855 or 63 years ago. To-day the Agency of the Bank of Montreal holds a leading position among foreign financial institutions doing business in Wall Street, where it is an important lender of call money. The Bank of Montreal established in Chicago in 1862 "for the purpose of facilitating the participation of Canada in the great produce trade of the American West."

Following the Bank of Montreal, the Bank of British North America, the Canadian Bank of Commerce, the Royal Bank of Canada, the Merchants Bank and the Bank of Nova Scotia, located in New York—all prior to the war. Canadian banks now have agencies in various other American cities. The Commerce and the Montreal also have branches in Mexico. Canadian banks went to Mexico at a time when considerable Canadian capital was drifting to that country for investment.

The London Branches

Forty-eight years ago, in 1870, the Bank of Montreal opened in London, Eng. Other Canadian banks to open London Branches since have been the Commerce, the Royal, the Union and the Dominion. The Bank of Nova Scotia, it will be remembered, planned to open in London and officials went to England with that idea in mind in July 1914, but when the war broke the plan was abandoned and has not since been taken up again.

Canadian banks are well established in Newfoundland, the Montreal, the Commerce, the Royal and the Nova Scotia having several branches at the important centres.

Making Canada Known

The Royal with 26 branches and the Nova Scotia with 12 branches are firmly entrenched in the West Indies, having gone there long before the war broke, and no doubt sharing in Cuba's more recent unprecedented prosperity. Both of these banks of Maritime Province origin went to the West Indies because that early Canada sought to encourage Cuban trade with this country and now in the opinion of Sir Herbert Holt "are making Canada well known to the average Cuban."

La Banque Nationale is the only French-Canadian bank with a branch abroad, having a branch in Paris. The ill-fated Banque Internationale of 1912 memory established a Paris branch as part of its policy to attract French capital to the Dominion but this connection was of course extremely short lived and not particularly pleasant either unfortunately.

Just what new course Canadian bankers will pursue abroad remains to be seen, but it seems very certain that there will be further extension of the foreign branches of Canadian institutions. Canada's determination to become a foreign trader brings with it the necessity of establishing banking connections in those countries with whom she desires to strengthen her present commercial relations.

It is unreasonable to suppose that our bankers will sit back and let one or two banks exclusively develop the foreign business which promises so much for our economic future, that is if the Dominion is to be a vital factor in the new era of progress which all good Canadians have a right to expect of their country. If Canada is to hold, and indeed, further develop the position which she has attained in world commerce her bankers must go abroad.

Watching the Americans

Canadians may of course first watch the experiments of American bankers. One of the chief difficulties which American banks experience in opening foreign branches is the antagonism of the native banks, who take umbrage at the intrusion of any outside institution. In this connection the following appeared in the *Wall Street Journal*:

"If any of the foreign banks carry balances with an American bank proposing to establish a branch in their own city they not infrequently threaten to withdraw their deposits unless their American correspondent desists from its intention of entering into competition with them in their domestic field, thus leaving the American bank the choice of foregoing what may appear to be an attractive business abroad or losing lucrative accounts at home."

It has been argued frequently that American banks cannot expect the full measure of success abroad until the United States is prepared to extend banking reciprocity to foreign banks. Foreign banks may establish in the United States, for instance, as the Canadian banks have established in New York city, and pursue banking business of an international character, but they may not accept deposits, and thus fully enter into competition with the home institution.

Canadian banks in New York of recent years have assumed a position of increasing importance. This was particularly noticeable when Uncle Sam became Canada's banker early in the war period, and when under the stress of war requirements the volume of trade over the Canadian-American border swelled to the present remarkable proportions.

NEW BOND HOUSE

Major Dingman Opens an Office in Dominion Bank Building

A new bond and securities business has been opened in Toronto by Major H. J. Dingman, with offices in the Dominion Bank Building. Major Dingman was for many years engaged in banking. He has seen service in the Great War, and since his return has been associated with the bond and stock brokerage house of A. H. Martens & Co. In the last Victory Loan campaign he acted as organizer in the Sault District and met with great success in his efforts to roll up a record total.

THE MENACE OF THE BOLSHEVIKI! INSIDIOUS INFLUENCES THREATEN RELATIONS OF CAPITAL AND LABOR

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would put soap in the boiler so as to make it impossible to raise steam; drive spikes in logs in the lumber woods so as to ruin the saw—and, incidentally, the sawyer—in the mill cutting them; distribute chemicals in the wheat-fields to burn up the standing crops; loaf on the job, to hinder production—in short, it is revolution by sneakery. I.W.W. leaders have written elaborate pamphlets on the subject, which have been found widely distributed in Canada.

Some weeks ago, before the war ended, Hon. Frank Carvell spoke very frankly about the attitude of certain of the labor unions while not failing to note that the majority of them had played a high patriotic part during the war. He spoke of the I.W.W. and socialistic propaganda being carried on all over Canada, and regretted that many of the labor leaders were being influenced by the seditious doctrines preached.

Labor everywhere seems to have listened too much to the voice of the revolutionary charmer. At the great labor conference in London in November, cheers were given for international socialism and the Bolsheviki. Alex. M. Thompson, a leading English newspaper correspondent, writing in the London *Daily Mail* on October 1st, said that Bolshevism was the dominant factor in the labor unrest in the Clyde shipyards. "Never mind about wages," said a ship steward at a strike meeting, "wages are only means to an end. What we have to do is to stop the war by making it impossible; and then we can get rid of the Government, our employers, and the whole capitalistic class."

Socialist Routing

In Montreal recently, at the second annual meeting of the Quebec section of the Labor Party of Canada where 175 delegates were present, resolutions were passed praising the Soviets and sending greetings to the Bolsheviks in Russia and Germany. A crowded meeting in Montreal listened and applauded wildly the utterances of an American named Waldman, who ranted about chattel slavery, wage slavery, capitalistic governments and the millions killed in the war by capitalism. He shouted, amid applause, that the time had come when the capitalist order must give way. "The power has come," said he, "that is going to replace capitalistic government by a new form of government—the industrial. Russia and Ge[illegible] suggested that Russia should [illegible] presented at the [illegible] conference by Trotzky and Lenine. His [illegible] democracy was summed up in the phrase: "Take, not Pay."

Another speaker suggested, amid enthusiastic applause, that to get back the right of free speech and a free press in Canada, they must, if necessary, "close every wheel in industry, and let the Government know that the working classes of this country [illegible] Russia." [illegible] prevented the rest of the sentiment from being heard, but its import was plain.

The Siberian Influence

There has been a great deal of opposition shown by the labor unionists of Canada to the Siberian expedition, presumably, because it will interfere with the operations of the Bolsheviki. Resolutions were passed by Trades and Labor Councils all over Canada, asking that the expedition be withdrawn. At the meeting of the Toronto District Council where the matter was discussed, another proposition came up. It was a report from the Social Service Commission asking that labor be represented on a deputation urging the Provincial Governments to provide Mothers' Pensions. One delegate said the time had come to fight and not go hat in hand to any set of men. "The time is coming when the workers will dominate. We are ready to fight those who have kept us in suppresion. The Bolshevik is the only movement that will emancipate the working classes."

A great deal of this talk must, of course, be discounted; against it we must set the influence of men like Peter Wright, who during his present tour of Canada, has been warning workmen against Bolshevik influence, which was taking the form of trying to make men discontented by pointing to profiteers from the war. But its spread has been remarkable. Even the Indian tribes of Ontario have caught the infection and have formed a league "to obtain their rights." They will probably enlist more sympathy than some of the other protesters.

Relating Capital and Labor

There was never a time in the history of the world when it was more necessary for capital and labor to be wise and broad-minded in their relations and attitude toward each other than at this moment. Senator Robertson, the new Minister of Labor, pointed out in a recent interview with THE FINANCIAL POST [illegible] to be a [illegible] between the two elements [illegible] had begun the [illegible]. The rapprochement is as yet a tender plant, and needs the most careful nurture. Labor is "feeling its oats" all over the world; capital, generally speaking, has certainly not been chastened by the war. The idea of the proletariat, is that capital has shared "the fault of the Dutch" in that it has "given too little, and taken too much." Labor believes it has done this because it has enjoyed special privileges from which [illegible] ask for itself probably not the same privileges, but others equally valuable. That, however, is not a matter for discussion here, but merely for suggestion.

PROHIBITION AND TEA

"World Demand" Promises to Far Exceed Supply

NEW YORK.—The marked increase in the importation of tea into the United States lends interest to a statement made by a British tea grower, that the consumption of tea is [illegible] by reason of the reduced consumption of alcoholic beverages in many of the principal countries of the world. Prohibition, he said, is increasing the consumption of tea so that the world's demands, especially after the reopening of Russia "must far exceed any possible production for some years to come."

Whether legislation of this character in the United States has or has not affected the consumption of tea, it is at least a fact that the tea imports into the United States are now far in excess of any preceding year. A compilation by the National City Bank of New York shows that the quantity of tea imported into the United States in the fiscal year 1918 was 151,000,000 lbs. against 108,000,000 lbs. in the immediately preceding year. And 115,000,000 in the high record year 1909. The value of the imports of the fiscal year 1918 is also 50% greater than in any earlier year, aggregating $31,000,000 in value, against an average of about $18,000,000 per annum in the last preceding five years.

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France—Credit Lyonnais.
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OPPORTUNITY FOR UNITED STATES TO PLAY THE PART OF "BIG SISTER" TO CANADA IN A FINANCIAL WAY

Reviewing the War-Time Part of States in Our Financing

NEW DEVELOPMENTS

American Bankers and Bond Salesmen Cognizant of Opportunities Unfolding in This Country

By J. HERBERT HODGINS
Statistician, Union Bank of Canada, New York

TO what extent will America "big sister" Canada in the transitionary or reconstructive period?

Thomas W. Lamont, one of the J. Pierpont Morgan partners, it was who, at a Canadian society dinner in New York, first first referred to the manner in which America, like a big sister came to the financial assistance of the Dominion of Canada, when following the war, Great Britain, the mother country was under pressure of her war financing and no longer able to send fresh capital to her colonies as in normal times.

It is true, America came into the breach and quickly. The most America ever loaned Canada any one year prior to the war was in the year of business depression, 1913, when $50,700,000 was raised here on Canadian securities. This represented only 13.5 per cent of the total Canadian borrowings for that year, Great Britain caring for 74.2 per cent. (a ratio that fell to less than 1 per cent. in 1917.)

America continued to occupy an increasingly important part in the Dominion's financial programmes until she herself became a belligerent. In 1914, for instance, America financed Canada to the extent of $53,900,000, or 19.77 per cent. In 1915 the figures rose to $143,900,000 or 42.11 per cent., and in 1916 reached a grand aggregate of $205,676,000, or 64.89 per cent., which remains the peak point up to the present.

Canada the Exception

America's entrance into the war arena in April, 1917, necessitated the banning of foreign loans within the United States and Canadian borrowing, while not absolutely and entirely eliminated, as in the instances of every other nation, was substantially curtailed. The inevitable result was that Canadian borrowing in this country shrunk last year to $186,911,000—which, however, would have been reckoned as a very considerable sum before the war. But, as last year Canada financed in the aggregate $772,000,000, America's contribution amounted to less than 25 per cent. of the total.

The 1918 Financing

For the year 1918 just closed definite figures are not yet compiled, but, roughly speaking, Canada is known to have raised in various ways, corporate, governmental and municipal, something like $850,000,000, and of this greatest of all yearly totals less than $75,000,000, or about 8 per cent., was obtained in the United States and only £3,000,000 in London (this takes no account obviously of war credits, but solely of issues directly made to the public).

The economist, who would have risen in 1914 to say that it was possible for Canada to do what she has done in the world of finance, would have been laughed back into his seat by a mocking chorus.

It is inevitable, thinking men will tell you here if they have studied the Canadian situation as most bankers and financiers in this country have, that the very considerable portion of Canada's war financing being of a short term character, it must be cared for at maturity by the United States. America will prove an infinitely more ready financial market for Canada than Great Britain, for the next few years, it would seem. England's bankers for a long period will have domestic financing of a pressing character.

Setting Up In Canada

American bankers and bond salesmen are cognizant of the future situation. Already they are to be found enlarging their ramifications. The National City Company, which is an intimate offshoot of that greatest of all New York banking institutions, the National City Bank, is forming its Canadian branch and well known bond houses are establishing Canadian offices for the first time. Canadian bond men, whose New York offices have been dormant for months, will become vigorously alert early in the new year.

The story of Canada's financing in the United States during 1918 is quickly set down. Last June, though, it did not become known for several weeks, Canada privately negotiated a $65,000,000 loan in New York City as a corrective of the Exchange situation to prevent the Canadian dollar dropping below the 2 per cent. discount. Later measures were taken and the Canadian dollar was "pegged" at around 2 per discount. In July the Canadian Northern Railway Company, virtually the Canadian Government, itself borrowed $5,000,000 in this money centre, and in December the Toronto Railway Company was permitted a refunding operation to the extent of $1,000,000. Throughout the year less than $1,000,000 of Canadian municipals were disposed of on this side of the border—in all approximately $72,000,000 of Canadian borrowings put through here during the twelve months' period.

> **A YEAR OF ADJUSTMENT**
>
> Nine[illegible] ... no doubt ... market for new issues. Corporation needs and Canadian enterprises are not likely to need marked attention this year, because of substantial cash reserves built up behind Canadian industry in the war period. Already a vigorous attempt is being made to dispose of efficient and modernly equipped manufacturing plants, idle because of the cessation of munition contracts, to American manufacturers who may desire to set up Canadian branches, as some 500 before them have done in the past few years.

Restrictions to Cease

Last June Sir Thomas White and the Capital Issues Committee at Washington got their heads together and the result was an iron-clad agreement affecting Canadian financing in this country. No new issues could be made here unless first approved by the Ottawa authorities and then passed upon by the Capital Issues Committee "as not incompatible with the national interests of the United States." The C.N.R. notes and the Toronto Railway bonds are the only Canadian isues to have stood the test of both Ottawa and Washington.

But the Capital Issues Committee went out of existence, or practically did so when New Year's Day was ushered in. The Committee functioned chiefly as a war measure; restrictive measures upon new capital issues being vital to the success of vast succeeding Liberty loans for colossal sums. The committee has not been dissolved yet, but it will no longer function unless the situation threatens to impair the money market for the fifth Liberty Loan to be put out next April.

Free Market For Canadians

From the Canadian viewpoint the decision of the Capital Issues Committee to die a natural death is interesting as foreshadowing a free market in this country for foreign securities.

If Canadians are willing to pay the piper, as probably will be the case, there seems no reason why they should not do their borrowing here, if they must go abroad. The consensus of opinion is, however, that interest rates will continue high for the reason that the demand for reconstruction money is certain to be very great.

Go where you will in this money centre and you will not find a thinking man who is not convinced of the potentialities of Canada ... widespread ... the part which America will play in the Dominion ... conditions, and particularly the development of her natural resources ... at hand, and thus presents few elements of risk and speculation to the American investor who hesitates to send his capital abroad to unknown lands.

Supplying Our Capital

Dr. Parker Willis, the one man of all Americans notably responsible for the drafting of that most impressive of America's recent banking legislation, the Federal Reserve Act, anticipates an investment of American capital in Canada even larger than in the past. "The United States," he insists, "will be called upon to supply capital to Canada for her development when that period of joint contribution to the needs of others shall have passed and a succeeding period of intensive home development shall have set in, as it will."

The problems of readjustment, the mere getting back to normal, are sufficiently vexatious. If America extends the helping hand that it is be[ing asked], to her younger neighbor, Canadians should expect no more. Canada can, and probably will, do much in the next twelve months to set her house in order for that new period of immigration which is already being reckoned upon as the vital spark in the Dominion's ...

INDIA'S DEVELOPMENT

Great Progress Made During the War Period

India's progress toward industrial development has been one of the surprises of the war. Her accomplishments during the last four years have astonished those who have been pleased to style her the "Great Dependency." They have stirred the enthusiasm of those who, with indifferent success, have long advocated changes in processes of manufacture habitual to the East and the extension of her activities beyond agricultural limits. They have vitalized the possibilities that lie in the application of modern methods to great natural resources by a population exceeding that of any other country except China.

The war greatly curtailed importation of manufactured goods from the United Kingdom, and stopped altogether those from Germany and Austria-Hungary. Meanwhile India's needs were largely increased because of the call made upon her by the Mother Country for supplies of every kind. The extent of her contribution will not be known until the war is over, but there are intimations that it has not been less satisfactory than her very substantial war loan and her investment in British Treasury notes. Even before the war there was a marked tendency toward commercial and industrial development, but war conditions have given increased force and direction to the movement. The British Government has recognized this fact, and, as a result of the investigations of the Committee on Commercial and Industrial Policy After the War, an India trade commissioner is to have offices in London, from which further industrial expansion in India will be promoted. Ultimately there will be show rooms for Indian products and manufactures so that buyers from all countries may see at first hand what is being accomplished.

Industrial Expansion

The ability and readiness of India to help forward this industrial expansion is indicated in the number of enterprises started since the war began. This movement became so marked as to induce the Government to increase last March the restrictions on flotations which had been provided in the Indian Companies Act of 1913. This Act became effective on April 1, 1914, and in anticipation of it there were an unusual number of flotations during the fiscal year 1913-1914, so that the record for the year 1917-1918 shows a decrease of 22 per cent. in the number of new companies, if comparison is made with the pre-war year. If the comparison is confined to the war years the steady progress made is more clearly shown. In 1914-1915 there were organized 112 companies with an aggregate authorized capital of Rs. 4,43,20,000, or about $14,877,408, and an average authorized capital of Rs. 3,96,000, or about $128,462. The number of new companies formed in 1915-1916 was 137, in 1916-17, 184; and in 1917-1918, 278. The aggregate authorized capital for the 278 companies was Rs. 30,57,93,000 or about $99,199,249 and the average authorized capital per company was Rs. 11,00,000 or about $356,840. Not only was there a very heavy increase each year in the number of new industrial organizations found, but there was also an increase in the average size of the organizations. The total number of companies organized during the four war years is 705, with a total authorized capital of Rs. 59,47,32,000 or about $192,931,000. In addition to these investments in new companies there were of course a very great number of extensions of existing companies.

ODD TRADING SCHEMES

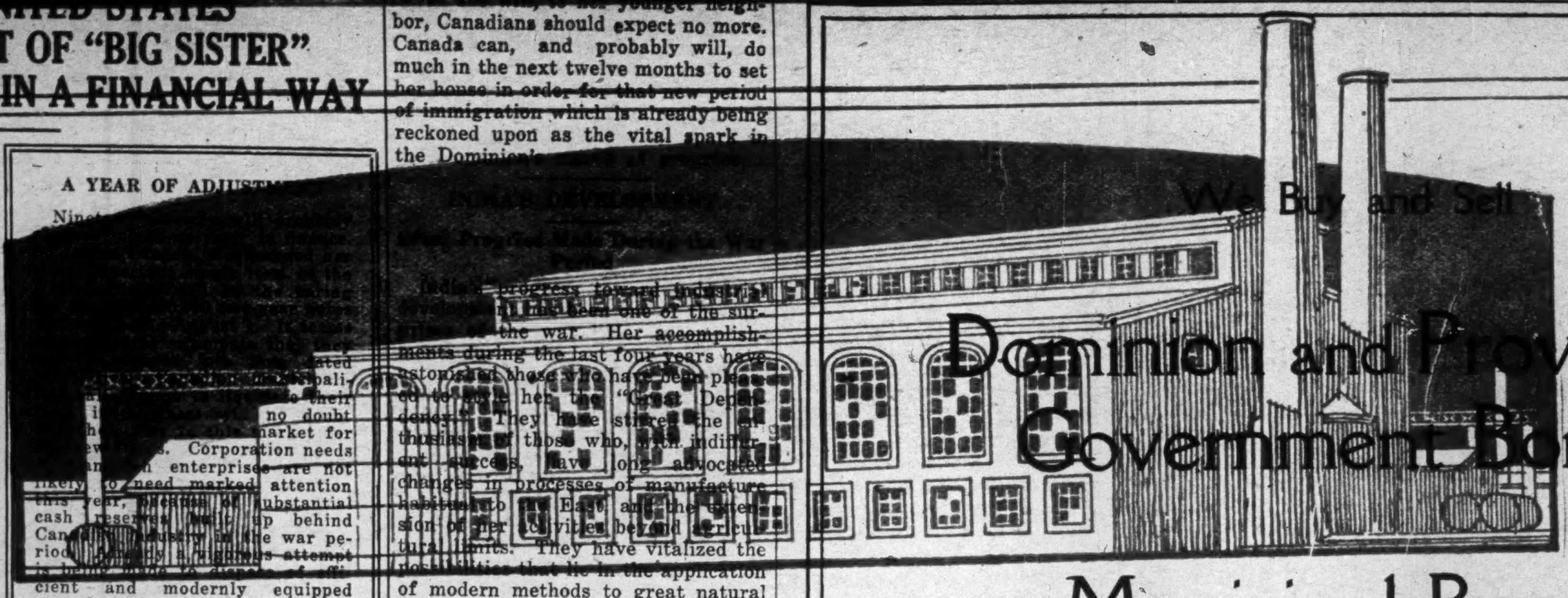
Sale of Dogs' Teeth New War Industry in London

London.—Queer but profitable are a number of trading schemes instituted during the war period.

One firm in the city of London is making a good thing out of the sale of dogs' teeth. There is a large market and the profits are great, but the dealers are unwilling to disclose the uses to which the teeth are put.

A firm situated in a midland town carries on a secret trade in "souvenirs" from France. It does a big business in rings made from bullets, inkpots made from shells and paperweights made from the flotsam and jetsam of the battlefields.

Dried eggs were almost unknown in Britain before the war. A firm of pottery merchants started to import dried eggs from China as a side line. Now they are complaining of the iniquity of the super-tax, while the crockery department has been almost forgotten.



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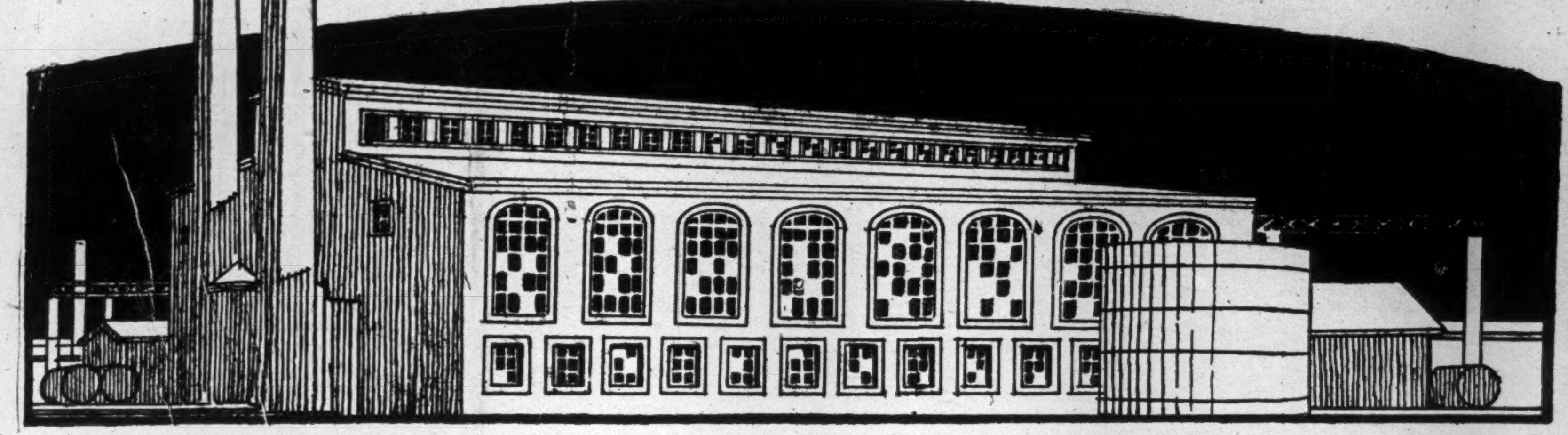

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MANUFACTURERS AND THE CRIPPLE

Steps Being Taken by Red Cross Institute to Take Care of Returning Heroes

By RICA BRENNER

The soldiers will soon be returning and gradual readjustments in the business world will be made. A great many business men and manufacturers have given considerable thought to this matter in order to find out how they could best employ those men who, through the war, have in some way become physically handicapped. These men rightly refuse to become objects of charity. They feel they have a just claim for the opportunity to do work in which they can successfully compete with the able-bodied workman.

According to the Vocational Rehabilitation Act recently enacted by Congress those disabled in the military and naval forces of the United States have been placed under the joint authority of the Surgeon General of the Army, and the Federal Board for Vocational Education. The Surgeon General has jurisdiction from the time the person is injured until he is restored to good physical condition, when he receives his honorable discharge from the service. The Federal Board then offers him vocational re-education and training which will enable him to return to useful active employment, and the United States Employment Service will co-operate in finding him work.

Work is chosen which is most closely allied to his former occupation. Thus the soldier loses least in interest and efficiency and the employer gains most in having men with experience in their industry. The man being retrained brings to bear on his studies the results of military discipline, training and adaptability, and in a short time becomes a greater value than before his injury.

The Red Cross Institute for Crippled and Disabled Men of New York City recently made an industrial survey and found many different kinds of jobs suitable for leg cripples and arm cripples. Through its Employment Bureau hundreds of industrial cripples have been placed in positions. The Institute has classes for the training of disabled men in which they may learn the manufacture of artificial limbs, oxy-acetylene welding, mechanical drafting, printing, motion picture operating and the manufacture of jewelry.

Every re-educated cripple, able to produce, is not only made happy by earning his own living, but is adding to the sum total of the nation's productivity. He is restored to the great industrial army upon whose production the nation's comfort, happiness—its very existence—depend.

THE GOVERNMENT IS ORGANIZING A COMPREHENSIVE MACHINE FOR REPATRIATION OF CANADA'S ARMY

Continued from page 17

the Government—it has some imagination; and soon every department was hard at work co-ordinating, with good effect.

Co-ordination and Repatriation

The efforts of the different departments and of the different voluntary organizations were overlapping; so the attempt to co-ordinate them was begun by the establishment of the Repatriation and Employment Committee of the Cabinet. It consists of six Ministers, whose departments have most to do with the work of reconstruction. They are: Sir James Lougheed, Minister of Soldiers' Civil Re-establishment; Hon. Arthur Meighen, Minister of the Interior; Hon. N. W. Rowell, President of the Privy Council and Minister of Public Information; Hon. J. A. Calder, Minister of Immigration and Colonization; Hon. T. A. Crerar, Minister of Agriculture; and Hon. G. D. Robertson, Minister of Labor. Their duties were primarily co-ordinating: (1) To co-ordinate the policies of the different departments of government and other agencies handling the repatriation problem; (2) to co-ordinate the machinery created to carry out these policies; (3) to inform the public as to what is being done, so as to secure the co-operation of different classes in the country.

The Government had frequently been urged to call to their counsels some of the able businessmen of the country, who had demonstrated their capacity for large affairs. THE FINANCIAL POST was long one of the most incessant advocates of such a measure. Governments are apt to resent advice and interference from the people. They forget sometimes that, as Shakespeare said: "Ships (even the ship of state) are but ships; sailors are but men." They seem to acquire the belief very quickly that they have a God-given capacity to navigate; and will not take advice or instruction even from the owners. They sit in seclusion in their little sound-proof cabinets at Ottawa, and turn a deaf ear to all advice except the little they may extract from the dusty records and dusty-brained record keepers in their own departments.

Big Business Called in

This time, however, they listened; and the result was that they called in an expert co-ordinator, in the person of H. J. Daly, of Toronto, who had shown his ability in many striking instances, in applying system to large affairs with success. He was made a sort of managing director of Repatriation and Employment; Vincent Massey, late secretary of the War Committee of the Cabinet, was selected to act as Secretary, and he organized a staff and opened offices in the Plaza Building in Ottawa.

Mr. Daly has helping him a co-ordinating committee consisting of his own staff, and the representatives of the six Government departments above mentioned; and also four other committees acting as advisory bodies, representing the Great War Veterans' Association, Women's Organizations, Canadian Municipalities, and Labor. The duty of the co-ordinating committee is, broadly, to see that all the others are "on the job." They meet almost daily and examine minutely every phase of the situation as it develops from day to day. They supervise the problem of demobilization; criticize schemes proposed and machinery adopted for possible flaws; try to eliminate all possibility of over-lapping, and suggest improvements and additional plans.

They may call in experts to advise them. If, for example, there should appear signs of a commercial depression, representatives from the manufacturers, wholesalers, and retailers could be summoned to advise as to the best way to avoid it. Careful diagnosing of the ills of the body politic, with the fact always borne in mind that prevention is quicker and cheaper, and better than cure, is to be a big part of this body's work. There is a publicity branch attached to the committee, under the direction of W. H. Greenwood, formerly with the Canada Food Board, which will keep the public informed of what is being done, and what is needed to be done.

Operating the Machine

So much for the machinery; now let us see how it will operate. Bearing in mind that the main burden of this task of reconstruction still remains and must remain with the Government, the function of Mr. Daly and his organization being one of co-ordinating all the efforts of the Government departments.

Taking them in order, as above mentioned, Sir James Lougheed's is first to be considered. The Department of Soldiers' Civil Re-establishment will perhaps have the most to do with the repatriation of our returning men. It has been in existence for some time, and has been responsible for the care of invalided and disabled soldiers. Now it is superintending the re-absorption of all soldiers into civil life. While the actual military work of demobilization is performed by the Department of Militia, the S. C. R (to give it the abbreviation by which it is becoming known) has a Demobilization Branch of its own, and has to begin its work with the soldier long before the Militia Department releases him. Shortly after the armistice was signed, it sent an official, Major Anderson, to England to let the soldier know he was not forgotten, but that Canada was preparing to do the decent thing in acknowledgement of his services. Major Anderson is the man in charge of preparing the data by which the men are classified as to trades and preferences, so that they may be sent home in drafts of five hundred which will satisfy existing labor needs in Canada, and prevent unemployment as far as possible. S. C. R. representatives are with the men in France, in England, and on the way home, helping them in every way possible, and trying to secure information which will be of use in the work of getting the returned men fitted in again. The Director of this Demobilization work is Major L. Anthes, of Toronto.

The Medical Services Branch is also in Sir James Lougheed's department, and is in charge of Lt.-Col. F. M. Bell, who, by the way, has written one of the most interesting books on the war, as the first Canadians in France saw it. It should be understood that all invalided men remain in the care of the Militia authorties until they are either cured or will require prolonged or permanent institutional care. In the latter case, they are taken hold of by the Medical Services Branch, and placed in suitable institutions. This branch has at present over 150 institutions with about 3,500 patients, including those for consumptives and mentally afflicted. Incurables are cared for in special hospitals, one of which is now in operation in Toronto. It also includes an orthopedic and surgical appliances branch, with a factory at Toronto for making artificial limbs and other appliances.

Vocational Training also comes under the S. C. R., W. E. Segsworth being the director.

Importance of Labor

The next of the six departments in importance is probably that of Labor, reconstruction being at bottom largely a problem of employment and employment conditions. Last spring an act was passed to create machinery which is now the basis of efforts to re-absorb soldiers and war-workers into civil life. By it the Minister of Labor is empowered to arrange for the organization and co-ordination of employment offices, to establish labor clearing houses, and issue information regarding conditions of unemployment. The Dominion Government undertook to bear half the expense of this work with the various Provinces. At the conference of Provincial and Dominion Ministers at Ottawa in November, the whole situation was thoroughly canvassed, and it was decided to open employment offices at once, abolishing private employment agencies. Offices will be established in every urban centre with a population of ten thousand or more, in most cases operated by the Provinces, but on uniform lines, the Dominion having the right to co-ordinate their activities and to inspect them. There will be 4 of these all told, each with a superintendent and staff, including a number of "scouts" who will be constantly circulating among the industries of the district, looking for openings for their clients. In each office the S. C. R. will have a separate room, to which the man in search of a job can go, present his case to the S. C. R. representative, and by him be introduced to the superintendent. There will be an advisory council of employers and employees assisting the superintendent; a feature which it is hoped will be of great benefit here as it has been in Great Britain, particularly in times of labor trouble.

The local offices are linked together by Provincial clearing-houses under the general superintendent of employment offices for the Province, who will receive daily statistical reports on all labor conditions from each local superintendent. Further up still there will be three Dominion Clearing Houses—at Halifax, Ottawa, and Winnipeg.

This machinery should give the Department of Labor a very complete grasp on the labor situation all over Canada, at any given moment. It will also have field agents inquiring into conditions in every industry throughout Canada, each being an expert in the trade concerned. Weekly reports will be secured from trades unions and from all employers of 25 or more laborers, giving payrolls, changes in personnel, and so forth. To complete the organization, there will be advisory councils in each Province, composed of representatives of employers, employees, agriculture, the G. W. V. A., and other interests, to advise the Labor Department on the general employment policy of the Government.

Soldier Settlement

The Department of the Interior is important in this survey of reconstruction because to it is attached the Soldiers' Settlement Board, established last January, to put into operation the Soldiers' Settlement Act of 1917, the purpose of which is to get returned men on to the land. There is to be no issue of land scrip, to be trafficked in on the stock exchanges, and generally neglected of cultivation in any other way. To secure the benefits of the Act, the soldier must become an actual settler, and he is to be helped to do this by a loan up to $2,500, at five per cent., repayable in twenty annual instalments, beginning after two years. It applies to all soldiers, whether they may now have lands or not. Those who have may use it for improvements. Any soldier with a homestead is eligible also to a free pre-emption of another 160 acres. For those who did not secure a homestead before going away, all lands within fifteen miles of a railway have been reserved. If there are any homesteads going, the soldier is to have first chance at them, and is to be helped in every way to develop his holding.

In addition to providing the soldier with a farm, he is to be helped in its operation. The old way of colonization was, as it is usually put in the West, that "the Government bet the settler 160 acres against ten dollars (his filing fee) that he couldn't make the thing go." The results far too often justified this cynicism. Reconstruction provides for something different. The Agricultural Training Branch of the Soldiers' Settlement Board will provide short courses in practical farming to the inexperienced; and demonstration farms may be set up later. The Lands Branch will look up the available land for him, survey it, and advise him regarding the securing of it. The Equipment Branch will help him with plans for his buildings, advise him on what he needs to buy and see that he is not left to the tender mercies of the implement agent or any one else with things to sell, and also advise him regarding live stock. The work of the Board will be carried out by supervisors, with staff, in each Province.

The soldier is not to be pitch-forked into an occupation from which he may not be fitted; however, there will be an advisory Qualification Board to decide that question. Up to date, loans have been approved to 975 returned soldiers aggregating $1,239,665; and 162 applications are under consideration. Since July, 675 soldiers have made entries on Dominion Crown lands. Out of 230,000 men asked, 105,000 have expressed a desire to go on the land. Of these, nearly 75 per cent. have had agricultural experience. Perhaps the last mentioned statistics should not be relied on too much. They were secured from National Service cards, and were probably to some extent dictated by an expectation that a possible land grant would depend on the expression of a preference for agriculture. The data secured by the S. C. R. representatives, when available, will be more reliable.

Of the other Government Departments mentioned, the work of the Hon. J. A. Calder, Minister of Immigration and Colonization, and the co-ordinating efforts of Mr. Daly's organization therewith, will probably not be active for some time, as no great volume of immigration can come at present. Hon. Mr. Crerar is co-operating in the Agriculture Department so far as necessary, and is helping in the work of repatriation by lending the facilities of the Dominion Experimental Farms, and the experience and efforts of the Live Stock and of the Publications Branch. Hon. Mr. Rowell's connection with the work is mainly as Minister of Public Information.

Affiliated Organizations

In addition to the Government Departments, there are certain other organizations of a more or less official character, which have to be co-ordinated in the general plan of Reconstruction. Attached to the S. C. R. Department is the Board of Pensions Commissioners. It is to be developed as a civil rather than a military organization, and its three members have been appointed for ten years. The head office is at Ottawa, there are seventeen branch offices throughout Canada, and a branch in London, England. The work of the local branches consists of receiving applications for pensions, visiting pensioners in their homes, medical re-examinations, and the handling of complaints. The Board employs a travelling representative, who goes from coast to coast, interviewing pensioners and addressing meetings of those interested in their welfare. The amount of pension varies with disability. A totally disabled soldier or seaman received $60 0a year with $96 additional for each child. In the higher ranks, pensions are proportionately higher. If a pensioner becomes self-supporting, his pension is not affected. Widows receive pensions only while unmarried. Pensions are granted to parents only when the deceased son was their main support. The Board at present administers about 50,000 pensions, and the Minister of Finance estimates that our annual pension bill will be at least thirty million dollars.

Connected with the S. C. R. Department also are the Returned Soldiers' Commissions. There are two main types of these: the Saskatchewan and Alberta, which has adopted the District or Zone system, having eight districts with local branches, known as welcome and Aid Leagues, in every rural municipality; and the Ontario model, followed in the other Provinces except those above mentioned, having local branches in every town or hamlet where there are at least five returned soldiers. The efficiency of these organizations has varied in the different Provinces; and, up to the present, there has been no uniformity of plans. But as a result of a conference between the Provincial Commissions and the S. C. R. Department in November, a general plan of work was reached. Five duties were enumerated for which the Provincial Commissions should in future be responsible: (1) To introduce the returned man to the nearest employment office; (2) to deal with complaints and troubles; (3) to act in a friendly capacity, meeting trains, holding receptions, etc.; (4) to keep a record of all soldiers seeking employment in their respective districts; (5) to organize local branches where needed. Provincial Commissions are regarded as sub-Committees of the S. C. R., and representatives of that body in the local employment offices are, primarily, responsible to them.

Municipal organizations, rural and urban, are expected to co-operate with the Repatriation and Employment Committee. They can appoint local committees to meet trains, arrange receptions, and extend hospitality; and similar committees composed of women under their purview.

Finally, there are the numerous voluntary organizations, whose co-operation the Repatriation and Employment works to furnish employment. The great question of housing also comes should be appointed to look after wives and children of soldiers who are returning from overseas. Civic responsibility also includes rendering help in getting the men [illegible] use of the employment [illegible] other facilities provi[illegible] seeing that they [illegible] they do not exist. They can also [illegible] materially in the matter [illegible] public Committee is to [illegible] Apart from churches, there are [illegible] hundred distinct organizations [illegible] which may be thus employe[illegible] thousands of local branches, scattered all over the Dominion: the Red Cross, the Y.M.C.A., the Y.W.C.A., the K. of C., the Canadian Patriotic Fund, the Daughters of the Empire, the Victorian Order of Nurses—their name is legion. They are all being garnered into Mr. Daly's fold, and asked to do their share.

GERMAN RECONSTRUCTION

Plans Being Formed For a Great Commercial Campaign

OTTAWA. — Systematic reorganization of its industrial and commercial structures now is being made by Germany for the purpose of recuperating her former foreign trade and to aid in placing German goods in a dominating position in new trade marts hitherto excluded from that country's commercial aspirations. This information is contained in reports just received by the Department of Commerce.

As the foundations of the German foreign trade plans are numerous, trade associations have just been organized to give strength to Germany's foreign trade activities and to make competition by that country more effectual. Following the lines of the German domestic trade organizations, trade associations also have been made by the home firms with German trade branches in various parts of the world. It was said by the department that it is known that arrangements of this sort have been perfected with German companies in Central and South America to wrest these markets from present and future competitors and restore Germany once more to a commanding position to capture the bulk of that trade.

In order that the new German trade organizations might be as complete as possible, it is arranged, the department said, that a German firm will compete with Lloyds of Great Britain, gathering commercial information; that papers and journals will be published in the interest of increasing German foreign trade; promotion of the German spirit abroad as an advantage to the advertisement and sale of German manufactures, associations to study foreign trade conditions and similar steps be taken to make the German commercial position in the world more stronger and secure than at any time before the war.

The Krupp Company has decided not to pay a dividend this year. The great arms' concern paid a dividend of 12 per cent. in each of the first two war years, and 10 per cent. last year.

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NOT SO MUCH A PROBLEM OF WHO WILL IMMIGRATE, BUT WHO WILL PROVE DESIRABLE TO CANADA?

Some Difficult and Unsettled Phases of Mr. Calder's Program

QUALITY vs. QUANTITY

Opinion at Ottawa is That the Barrier Should Be Kept Up Against Certain Classes Who Will Only Flood Labor Market

By T. M. FRASER
Resident Representative of The Financial Post at Ottawa

ONE of the "by-products" of war is a temporary upsetting of fixed opinion. So many prophecies have been proved false, so many long-established facts or theories have gone by the board, so many conditions which seemed firm as the rock of Gibraltar have completely changed, that no man any longer cares to put himself on record as to what may happen in the future in any department of human activity. So when one seeks information or inspiration from Cabinet Ministers or heads of departments, who should be the very fountains of wisdom, the first reply to the interviewer's barrage of questions is very often the feeble little pop-gun response: "You probably know as much about it as I do." Not that any minister who has been in office for any length of time really entertains any such humble idea of himself as that; it is merely another way of saying that everything in the world is at sixes and sevens.

The writer has endeavored to secure information on the subject of immigration after the war. What the volume, and the origin, and the character of immigration may be, we can do little more than guess at; but on what is being done to encourage it to come and receive it after it arrives, there is some definite information.

As to what the character of the immigration is to be, there are certain known conditions existing in the countries which have always been our source of supply. The sudden and fierce heat of great conflicts have almost always been followed by a great boiling-over of peoples, unless some artificial check has been imposed upon them. But in all previous wars, the losses were so slight, comparatively, that they did no more than supply the restraint on population which in economics has become associated with the name of Malthus, and to which in our time Colonel Roosevelt has applied the term "race suicide." Nor was any attempt made to check this migration by the countries deserted. Men "broken in the wars," to use the old phrase of romance, have always sought fresh fields of adventure, and have always migrated in large numbers.

> **THE GOVERNMENT'S PROBLEMS**
>
> Immigration is one of the activities which the sudden ending of the war found us both somewhat unprepared to cope with, and with most time to devote to its consideration. Apart from the settling of the returned soldiers on the land, and in other employment—that problem of repatriation which Mr. Daly is handling—we shall not be prepared to receive immigrants in large numbers for some little time. Our problems of unemployment must first be settled by absorbing our present unsettled supply of labor, and seeing that all the returned men are provided for. By the time that is done, there is not much doubt that plans now under consideration will be crystallized, if the Provinces co-operate with the Federal Department of Colonization and Immigration along the outlines proposed by Hon. J. A. Calder, to which the attention of the reader is now directed as the second part of this problem.

The first great tide of immigration which sets in towards America came after the Napoleonic wars. In 1815, the total number of immigrants to the United States was only 2,000. Four years later, it had risen to nearly 35,000 annually, nearly all from the British Isles; and five or six years later, when the adventurous had settled down into their places again, it dropped back to less than half that number.

Commercial depression in any country is invariably followed by emigration; this is a fixed law; and the crisis in England in 1832 was succeeded by a great abandoning of the country by its people which brought immigration into the United States for the first time over the hundred thousand mark. Indeed, the words of the poet who exclaims: "Here, and here, has England helped me," may be adapted by the wanderer looking over the yearly emigration returns of that country from the first part of the Nineteenth Century; he can place his finger on point after point on the list and say, "Here, and here, has England failed me."

Until that period which culminated in the Irish Famine, "the Hungry Forties," as it is still known in Great Britain, when the first great emigration to America began, departures from the United Kingdom averaged about 75,000 a year. In 1846 began the great Irish conquest of America, when the people streamed out in numbers which rose to nearly 370,000 in 1852. Since that time, until the Great War stopped travel from all countries across the sea, emigration from Great Britain averaged two or three hundred thousand people a year.

One of Germany's constant complaints against Great Britain has been that she has been shut off from acquiring places in the sun abroad to which her people might emigrate; but, as a matter of fact, there has been no disposition on the part of the German to emigrate for many years past; and he has almost entirely neglected those colonies which Germany has managed to secure; so that being deprived of them now will affect her only as the loss of a field for what has been a brutal and unwise commercial exploitation. Immigration from Germany to the United States, for a considerable period, ran somewhat the same course as emigration from the British Isles. The first accurate records of immigration in the United States begin around 1820. For the period up to 1830 it ran about 5,000 yearly from Germany. In 1847, it had risen to 110,000, and in 1854, it reached a quarter of a million annually. Its causes were partly economic, and partly political. Since 1900, when the right of labor to organize was conceded, the German working man has been more contented, and the modern commercial expansion of Germany has provided him with employment at home. For some years past, Germany has been a country of immigration herself, chiefly from Austria-Hungary, Russia, and Italy. What her future will be in this respect depends on how she settles her present internal troubles. Considering the fact that millions of her best workers have been killed or disabled, and recognizing, as we must recognize, that her genius for manufacturing and organizing is great and indestructible, it is natural to assume that if settled conditions return there within a reasonable time, she will retain her people at home. Besides, to adapt the phrase of an English publicist as applied to the United States a long time ago, who now will want to read a German book, or receive a German immigrant?

Looking For Newcomers

The field from which we may look for immigrants such as we would be willing to receive, narrows itself down to the British Isles, the United States, and the Scandinavian countries, and our propaganda will be largely confined to those sources.

Of continental immigrants, the most desirable have always been the Scandinavians. Norwegians, Swedes, and Icelanders have been among the best settlers we have had in Canada. Scandinavia does not encourage emigration, and does not permit direct propaganda for the purpose within its borders; and anything done there would have to be by way of suggestion. Major-General McRae, who has had a wide experience in the business of settling immigrants and land-selling in Canada, has recently suggested that such indirect means as the use of moving pictures and the circulation of literature of a general nature referring to Canada might be employed to advantage in Scandinavia. But, remembering the axiom that distress and emigration are almost synonymous, we must remember that Scandinavia has remained out of the war, and has prospered exceedingly because of it. The general level of prosperity has never been so high in her history. Scandinavia has a millionaire class now, and all her people have shared in the general distribution of wealth from the warring countries. And in recent years, as a result of the exploitation of her great water-power, commercial expansion there has been marked. The Swede or the Norwegian is no longer the ditch-digger of America. The application of co-operation to the agriculture of Denmark has turned that into a country of immigration.

Before the war, we got a good many Belgians, and the French were beginning to come in fair numbers. The war has almost stripped both those countries of the young and vigorous class from which emigrants come. We need not hope for many settlers from those sources.

How Good, Not How Many

There is plainly a growing feeling that the time has come when Canada's motto with regard to immigration must henceforth be: "Not how many, but how good." In the early years when we first became bidders for the people seeking a new home, very little discrimination was exercised as to the class of people invited to become citizens. The Department of the Interior, the great railways with great land grants, the private land companies with large holdings, all stood on the sidewalks of the world like "barkers" for side-shows, coaxing, almost pulling, people to come in to share in the unlimited attractions we had to offer. It seemed then, that we could never get enough people to fill up the vacant spaces in the great lone land of the north-west. This was what might be called "the sheep-skin coat era" in immigration; or in terms of the medical profession, the era of trachoma and favus; when the immigration sheds were thronged with uncouth looking barbarians from Central Europe, with whom the sheep-skin coat was so common a garment that it almost seemed the immigrant's uniform, and the examining physicians were busy for days at a time after the arrival of every big steamship, examining the scalps and turning up the eye-lids of the newcomers for traces of those foul diseases.

It must be confessed that we went far afield for our citizens, and in many instances we fared badly. The Russian Doukhobors, with their ecstatic religion and their communistic sociology, were damned forever in the sight of Canadians when a section of them began their undress parades in Saskatchewan. It was after an experience with them that Canadians began to realize that perhaps the Czar had troubles of his own and there was no great regret expressed when they pulled up stakes in Saskatchewan and moved further west. In the west, it is realized that the process of assimilation of these central Europeans will be slow; and they are now fixing their hopes on the coming generation, still believing that this great melting-pot of ours between the Great Lakes and the Rockies will yet get rid of the dross and turn out a fairly refined product. It was an experiment; many believe it to have been an unwise one; but the final success of nations, like that of individuals, consists only in a greater proportion of wise actions than unwise ones, and in learning from its failures. We have learned to seek quality rather than quantity in immigration.

Objectionables and Desirables

There are numerous other elements in our immigrant population which are undesirable; in nearly every instance; they are peoples who come here without any idea of permanent citizenship, but only to acquire what their native standards of living class as a competence, which they aim to take back with them to the land of their birth, and enjoy there. Among such are the Chinese, the Italians, and the Greeks. As a study of the criminal statistics will show, the Italians, in proportion to their numbers, probably lead all others in crimes of violence. The Chinese, against whose entry the greatest outcry have been made, are an industrious and peaceful race, who have been a very useful factor in the development of the Pacific Coast. The Greeks, being engaged almost wholly in such non-essential trades as shoe-shining and candy selling, could be most easily dispensed with. The Italian, the world's navvy, had his place during our railroad building era. We have for the time being more than a full quota of all three.

The war took heavy toll in Great Britain. A million were killed, and a vast number incapacitated, of the cream of her young men, the very class from which we should look for immigration. There are other millions, though, whom the open and adventurous life of campaigning will certainly have imbued with a desire to test the experiences of which they have heard their Canadian comrades tell. Canada, and the men who are the product of Canadian life, wherever they were born, have been on the lips of the world for the past four years. Thousands of Canadians are bringing wives with them from the Old Countries, and thousands more have no doubt made friendly engagements with comrades to "see them in Canada." Great Britain is not likely to impose any check on emigration. It seems probable that we shall have a large tide of immigration from Great Britain, as soon as transportation facilities will permit of it.

For several years before the war, a large part of our immigration came from the United States. The two million young Americans who went to war will do a lot to swell the volume of settlers coming here. Canada is more highly regarded across the line than ever before, and our relations could not be more friendly. Their own cheap farm land is gone. There, then, and in Great Britain, lie the fields for the efforts of our immigration agencies.

Hon. J. A. Calder has made proposals to deal with the problem in a memorandum submitted for the consideration of the Interprovincial Conference held in November. They were discussed at that conference and taken back to the Provinces for further deliberation and final action. The proposed policy has nothing to do with federal crown lands. "The reservation of federal crown lands for soldier settlement," says Hon. Mr. Calder's

Continued on page 23.

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THE BUSINESS OF BRINGING THE BOYS BACK HOME

Some of the Problems Little Understood by "Man on the Street"

JOB FOR THE SOLDIER

Real Questions of Readjusting Labor Must in Last Analysis be Solved to a Large Extent by Industrial Employer

TO the outsider the problem of getting together a great expeditionary force and sending it to France, and then of bringing it back home again is very much like a first attempt to find the solution of that brain teaser, now seldom heard of but which was in everybody's hands a generation or so ago—the Fifteen Puzzle. Someone worked the thing out, and presented it to the public in a box, all in proper order. It looked simple enough for anything, but shuffle it around a little, and your troubles began. But the man who devised it was able to put it together without any trouble; and some study enabled the average individual to get a grasp of it.

The problem of sorting out and sending a great force to France, and, after it had been mixed up in the melee there, of getting it back into the home soil once more, looks extraordinarily intricate to the civilian mind; but demobilization, as it is technically known, is proceeding in an orderly and rapid maner. With no enemy to interfere with it on land or sea, there is no doubt it will be accomplished safely and quickly; and before next harvest the half million Canadians who were wrenched from their place in civil life will nearly all be back again to the "piping times of peace."

The problem is complicated somewhat for the military authorities owing to divided counsel, caused by that assertive individual, "the man in the street." He has probably been in the street, or thereabouts, during all the war, busily engaged in running the affairs of the nation from the sidewalk; and he now raises the cry: "Bring the boys home—at once!"—as though the boys were all neatly done up in parcels of ten, bound with red tape, and waiting at the wharf in France to be put aboard the transports. There are other, and saner, voices such as that of the G.W.V.A., which urges caution; speed, if possible, but safety first. We want to have something more substantial to greet them with than a cheer. We must have a job ready for them.

The Problem in Figures.

There were in all 611,741 men mustered in Canada for this war. Of this number, over four hundred and fifty thousand went overseas. The war was not very old before they began returning, either "as single spies, or in battalions," and there has been a steady stream east as well as west for more than three years past. Deducting the returned men; the number who never were required to go over, and the Deathless Army which will not add to the problems of the Soldiers' Settlement Board, because it has pre-empted a sacred tract of the soil of France for its own, there were still abroad when fighting ceased about 285,000 of the above number.

Demobilization started with the men in Canada, and has been proceeding steadily. In addition, transports have been coming in bringing men home at the rate of about twenty thousand a month, and when plans are completed and in full working order, towards the end of January, the maximum number the Canadian railways can handle, about thirty thousand a month, will be pouring into Canada at every open port. The Army of the Rhine, the hundred thousand men who are going to show the home-making people of Germany just the class of thing they were up against when they undertook to lick creation, will not start to return before March.

Some of the Difficulties

It was the wish of General Currie that demobilization should be by units, so that the men of a famous regiment should come back as triumphant veterans to the points from which they had departed as raw adventurers, and receive the meed of praise and welcome which is always most treasured when coming from old friends and fellow-townsmen. There were difficulties in effecting this. Some of the old battalions have been reinforced to five or six times their original strength and have lost their identity by having reinforcements from other districts. To disband a Montreal unit at Montreal, for example, would have little sentimental significance for the men, a large percentage of whom might be from Nova Scotia or British Columbia. It is better from an economic standpoint, also, that demobilization should be by selection, so that industrial needs in Canada and the desire to fit every possible man into a waiting job should be regarded. The present intention is that the fighting corps of four divisions now in Germany will come back as units, as far as possible to the territory the unit represents. A rearrangement of the men will take place in Great Britain and France, and about 80,000 men will return as units; but to the bulk of the troops the plan now to be outlined, the general scheme of demobilization, will apply. It is designed largely in the interests of the soldiers themselves, with particular reference to placing them back in civil life and employment as quickly and conveniently as possible. The matter of demobilization is purely a military problem, but it has been arranged with the civil authorities here, and made to fit in with the plans of the departments of Soldier's Civil Re-establishment, and of the Repatriation and Employment Committee of which H. J. Daly is director.

Demobilization Routine

The first stage of the "overseas" soldiers return is at the Concentration camp in Great Britain or in France. At the first of each month a return is sent to military headquarters in Canada, showing the number of men available for each dispersal area; and it may be noted that in preparing this list, the soldier is allowed to choose where he will be demobilized, irrespective of where he may have enlisted. The men are sent in drafts of 500 for one dispersal area, chosen according to the industrial needs of that area, and are divided into 23 occupational groups, preference being given to married men according to length of service. They are medically and dentally examined also; and the news is cabled to Canada that they are coming. This is a pretty thorough [illegible] man to the job [illegible] history of [illegible] ed [illegible] authorities are on the job; but Mr. Daly's staff gets busy, and [illegible] up all along the line, co-ordinating the efforts of the many organizations preparing to receive Mr. Canuck back to the old home.

An Industrial Problem

While the Government can do much to locate employment for the returned man, and can in some instances actually provide it for him, generally speaking, the actual problem is eventually up to the industrial and other establishments; and, in discussing this matter with THE FINANCIAL POST, Mr. H. J. Daly, emphasized the necessity of employers recognizing that the men who are [illegible] may be [illegible] to be generously [illegible] helpfully dealt [illegible] they are not [illegible] [illegible] tive employment so long that it will be some time before they can again fit themselves into a new environment. They must be helped to make good in peace as they have done in war. It may require patience, often much patience, on the part of employers and of foremen; but these men who have been away have displayed much patience and endurance themselves. They have contributed not a little of their stock of vitality and nerve force to saving the world; surely then, the world owes them, not a living, but the chance of making a living under the best circumstances possible.

There will be what Mr. Daly describes as "problem cases;" men who are suffering nervously or mentally from the experiences they have undergone; who have been "wound up in the war, and must gradually be unwound back into civil life." A little kindly personal interest will go far with such cases. And if some of them do not seem to be doing the full stint of a normal man, let the employer try to put himself in the place of the thousands of factory owners in France and Belgium, who have plant and everything else they owned wiped out by the Hun; and look on their new employee as a brick, perhaps a slightly damaged brick, in the wall which kept the Hun back from ravaging Canada; and try to fit the brick in again in civil life as easily as possible. For the Canadian soldier has been "a brick," in every sense of that expressive word.

WILL BUILD TIRES

Among the encouraging industrial developments of the day are the proposed extensions of plants at Kitchener, Ont, for the manufacture of tires. The Dominion Tire Company intends to double its capacity, while the Kaufman Rubber Co. is going to erect a big new plant for the manufacture of this product, a line which it has not hitherto attempted.

NOT SO MUCH A PROBLEM OF WHO WILL IMMIGRATE

Continued from page 22

memorandum, "and the comparative capacity of suitable crown lands within reasonable distance of railway and other facilities, are factors in the changed conditions that must not be lost sight of when new policies are considered."

In the four Western provinces there are, however, millions of acres of land the title of which has passed from the crown; and in the other provinces there are abandoned and leased farms. It is proposed that the Federal and Provincial Governments should unite in a scheme to acquire such lands and open them for settlement, both Governments lending their credit for the purpose.

The policy suggested is that the provinces should at the first session of the Legislature take power to ascertain all land available for settlement within their borders, including privately owned wild lands, abandoned farms, leased farms and crown lands. Private owners of lands would be required to put a selling price on the same, which should remain fixed for a term of years, and should be the basis for a tax on such lands.

Financial Features

So far as the scheme is outlined above, it will be seen that the proposal is that the Provincial Governments should constitute themselves superlandbrokers; but it is further proposed that, in addition to securing a sort of option on available lands, the provinces should be prepared to advance [illegible] new settler to acquire [illegible] the Dominion Government [illegible] the credit to the provinces [illegible] credit may be [illegible] provinces for the purpose [illegible] by direct cash [illegible] of provincial land settlement bonds, by joint federal and provincial bonds, or by lodging with the provinces federal bonds as security for provincial land settlement bonds." In short, the Dominion will loan money to the provinces at cost for this purpose, and they may advance it to the settlers on their (the provinces') own terms.

It is the wish of the Federal Government to interfere as little as possible with the autonomy of the provinces in the details of the scheme, but they would hope to have a sort of supervising eye on provincial activities in the matter. Like any other wise lender, they would take an interest in [illegible] creditor, and want to know that the money was being spent for the purposes for which it was borrowed, and not being frittered away. The [illegible] ply [illegible] res- [illegible] to [illegible] terms of sale, class of settlers, and so forth.

Generally speaking, the Federal Government is to bring the settlers here, and the Provinces are to take control of them thereafter, each bearing the expenses accruing from its own department of activities. If such of the provincial legislatures as meet within the next few months deal with this question favorably, the Federal Parliament, when it meets, will be prepared to go on with the proposal.

The "Female of the Species"

It is well that the matter should be thoroughly discussed throughout the country before it gets to Parliament, and the method selected by Mr. Calder should ensure this. There are aspects of the immigration question which require special emphasis. It has been recognized for a long time in the West that our immigration policy has been lop-sided, in not making any provision for the encouraging of female immigrants. The lack of female help is retarding the development of the West considerably, and there is a great dearth of domestic servants all over Canada.

There are said to be three million more women than men in the British Isles; and with demobilization there, they will constitute a problem; while, transported to Canada, they would solve one. The only reference made to this side of the question in the Calder memorandum is to call attention to the necessity of co-ordinating the work of the numerous organizations engaged in social welfare work touching on immigration. The importance of encouraging the immigration of women to Canada should be emphasized by the provincial authorities.

November was another record month for the North American Life of Toronto. Received business was over $1,500,000 making the largest November in the history of the company. This is an increase of more

Wayagamac Pulp and Paper Company Ltd.

Exclusive Manufacturers of Kraft Paper

Wayagamack Pulp & Paper Co., Ltd., Plant at Three Rivers, Quebec

The largest exclusive manufacturer of Kraft paper in Canada is the Wayagamack Pulp & Paper Company, Limited, which operates the large mills at Three Rivers, Que. This concern was incorporated in October, 1910, with a Federal Charter and some time later began manufacturing, having acquired the property and business of Alexander Baptist, which had been in existence for over 50 years. These are the most modern Kraft paper and pulp mills to be found on the American continent.

High Quality Product

The product of these mills is known the world over, for the quality of the paper produced is very high and compares most favorably with the product of Northern Europe, which it is rapidly superseding on this side of the Atlantic. The company's plants are ideally situated to meet its shipping requirements, the site being on an island at the junction of the St. Maurice and St. Lawrence Rivers. The channel at this island is deep, ocean-going vessels being able to load at the company's wharves. The Canadian Pacific Railway has extended a line to the island from the mainland, so that the finished product can be loaded in cars and despatched with a minimum of trouble and cost.

In addition to the foregoing the company operates modern saw mills with all necessary equipment, and considerable profit is derived from the operation of these each year.

Financial Progress

Financially, the Company has made substantial progress and the Report for the year ended 30th November, 1918, will shortly be issued. During the 1917 fiscal year, earnings of the company amounted to $966,-349, as compared with $979,362 in 1916. After making deductions for depreciation charges, bond interest and discount, and writing off $72,383 for stumpage, the surplus balance amounted to $513,965, compared with $604,724 in 1916. The 1917 surplus was equal to 10.3 per cent. on the $5,000,000 of capital, compared with 12.1 per cent in 1916. In 1917 the company made a liberal write-off of all bad and doubtful debts which added further to its strong financial position.

In its last annual statement to shareholders, the company also showed a good increase in working capital, current assets at $1,701,551, comparing with $939,563 in 1916. Net working capital on November 30, 1917, amounted to $182,732, compared with $390,462 in the previous year.

Foreign Market Outlook Better

The operations of the company have been, from time to time, considerably cramped by the lack of shipping space owing to the demands common to war time. However, the company made efforts to secure markets that could be reached [illegible] vessels and in 1917 the benefit of these steps was appreciable [illegible] much to insure satisfactory earnings.

During the current year, it is stated, the management has been equally as quick in seeking every possible trade advantage that could be secured and in this way earnings have been maintained. Were it not for the fact that overseas markets are difficult to reach at the present time, the company's business in these fields would be very much larger than it is.

After the declaration of peace, and for some time, it is expected that more ocean tonnage will be available for the shipment of these products. The company will then be able to offer competition in the world's markets to the European product, both as to price and quality.

The capital stock outstanding amounts to [illegible],000 of a par value of $100 per share. The bonded debt is made up of $3,430,000 first sinking fund gold 6's, dated February 1, 1911, and due February 1, 1951. Of these bonds [illegible] have been redeemed by the sinking fund. There remains $1,500,000 unissued bonds which are reserved for future requirements of the company.

The Men Who Manage the Company

The board of directors of the company is made up as follows:

[illegible] Whitehead, president and general manager; Alex. Pringle; Jas. W. Pyke, vice-president; [illegible]; Hugh Mackay, K.C.; Alexander MacLaren and Sir William Price.

George Henderson is comptroller of the company; R. H. Pope, secretary-treasurer, and F. I. Ritchie, superintendent of lumber departments.

P. Burns and Company, Limited

CALGARY

SHAMROCK BRAND P. BURNS & COMPANY LIMITED CALGARY, CANADA

"THE HOME OF SHAMROCK"

SHAMROCK BRAND P. BURNS & COMPANY LIMITED CALGARY CANADA

Packing Plants at Calgary, Vancouver, Edmonton Prince Albert and Regina

Wholesale Depots: Regina, Moose Jaw and Saskatoon

Retail Stores in practically every city and town in British Columbia and Alberta

THE "SHAMROCK" GIRL

Capacity of the P. Burns Plant at Calgary

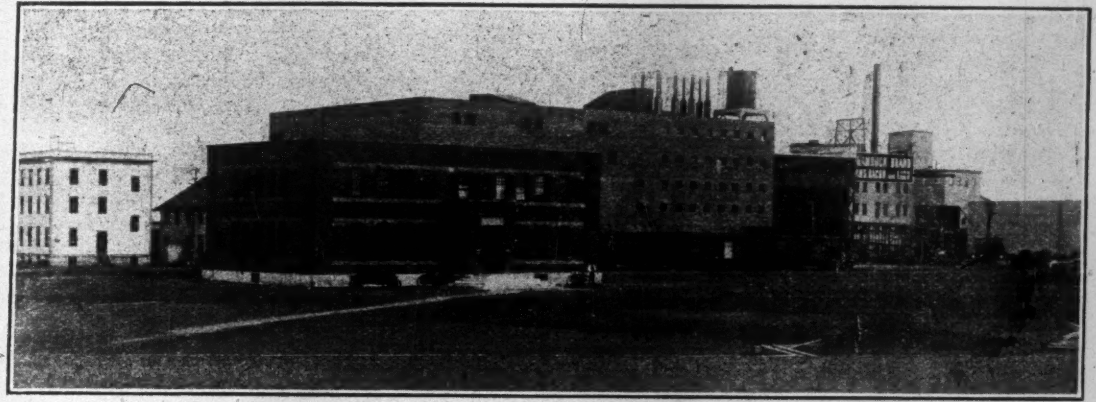
MAIN BUILDING OR NO. 1 BUILDING
Size 200 ft. x 224 ft., 6 stories high, constructed of reinforced concrete and brick. Cubical contents of the whole building slightly over one and a half million cubic feet. Floor space 268,800 square feet. 4,500 hogs and 2,100 cattle carried in coolers. Curing capacity two and a half million pounds of cured meats.

METAL BUILDING OR NO 2 BUILDING
Sixe 176 ft. x 64 ft. Cubical contents 300,000 cubic feet. Floor space 32,307 square feet. Egg storage 30,000 cases of eggs. Cellars hold one and a half million pounds cured meats.

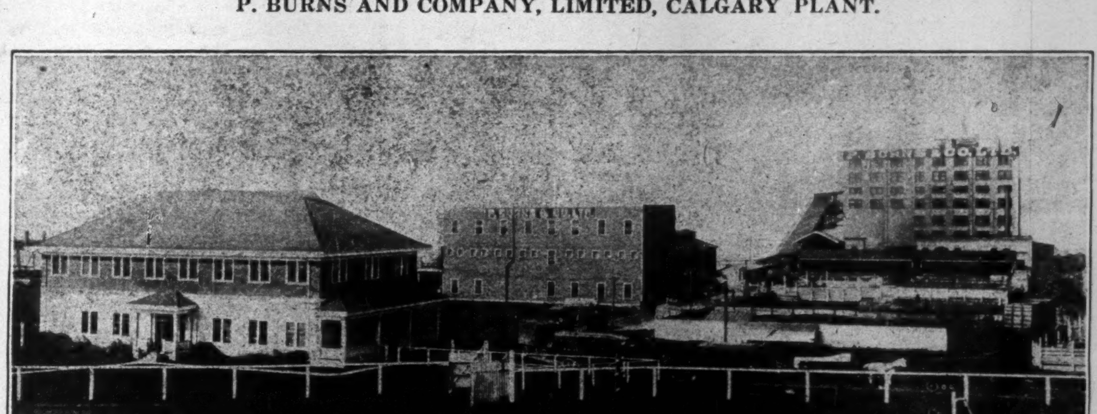
SLAUGHTER HOUSE
Size 64 ft. x 80 ft. A concrete building of 4 stories with a killing capacity of 500 cattle, or 1,000 sheep, and from 1,500 to 2,000 hogs per day of 10 hours. Floor space 20,480 square feet.

POWER HOUSE
Boiler capacity 1,000 horse power. Natural gas is used for fuel. This ensures greater cleanliness.

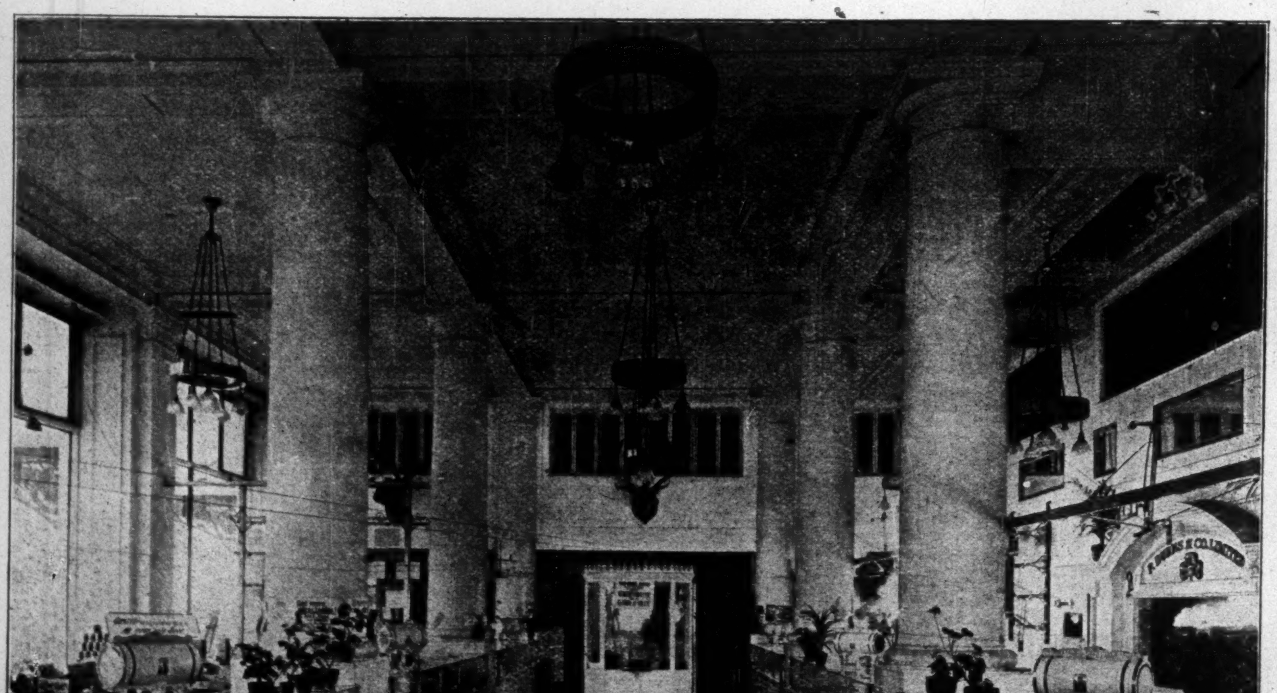
The capacity of Refrigerating Machinery equals 500 tons of ice daily. Machinery is in operation twenty-four hours per day. The total area of Plant including corrals is 23¾ acres. The average number of employees is 700.



P. BURNS AND COMPANY, LIMITED, CALGARY PLANT.



P. BURNS AND COMPANY, LIMITED, VANCOUVER PLANT



THE P. BURNS AND COMPANY'S RETAIL STORE AT CALGARY, ALBERTA, WHICH HAS BEEN CALLED "THE FINEST STORE IN CANADA."

President -	- PATRICK BURNS
General Manager	- JOHN BURNS
Treasurer - -	- NORMAN HINDSLEY
Secretary - -	- WILFRED E. CORLET

Capital Subscribed and Fully Paid -	- $4,000,000
Bonds Outstanding 30th Sept., 1918 -	- $1,654,600

European Representative:
LOUIS PRATT, 39-Bis Rue de Chateaudun, Paris

Eastern Canadian Representative:
A. MUIR, 102 Board of Trade Building, Montreal

CANADA'S BORROWINGS DURING 1918 REACH A TOTAL THAT ESTABLISHES A NEW RECORD

Increase Occasioned by the Growing Extent of Government Loans

PROVINCES BORROW

Municipalities Have Also Been in the Market For About Twice as Much Money as in 1917

By W. A. CRAICK
Associate Editor The Financial Post

BORROWINGS on capital account by Dominion and provincial governments, municipalities, public service and other corporations of Canada during the year just closed have established a new record. The huge figure of three-quarters of a billion dollars raised in 1917, a sum double that of any previous year in the history of the country, has been exceeded and that seemingly without having placed any undue strain on the resources of the Dominion.

The year has been conspicuous by reason of the extent of governmental borrowing. When in 1917, Dominion and provincial governments among them raised $675,000,000, it appeared as if a limit had been reached, but the phenomenal success of the second Victory Loan, which will net the government approximately $660,000,000, has shown that even that wonderful total could be beaten. Adding to it the returns from the sale of war savings certificates and debenture stock and the bond issues made by the provinces, there is seen to be a grand total of $696,000,000 or roughly $21,000,000 more than in 1917. This is indeed a wonderful performance for a country with a scattered population of only 8,000,000 people.

We Borrow At Home

The second outstanding feature of Canada's borrowings during 1918 has been the still greater dependence which has been placed on the home market for the supplying of the necessary funds. It is an old story that prior to the war, the Dominion did the bulk of its borrowing in the London market. Later, when the burden of war financing was undertaken by Great Britain, Canada had recourse to the United States market, where in 1916, the year before the Republic entered the war, 65 per cent. of this country's requirements were obtained. In 1917, this new source of supply was gradually shut off and Canada was thrown more than ever on its own resources, the result being that in that year she furnished approximately three-fourths of her own requirements. This year the proportion derived from the domestic market is even more pronounced and is so large that it may truthfully be claimed that the country is self-supporting.

Government Financing

It is scarcely necessary to recapitulate the story of the Victory Loan campaign of last November. Total subscriptions amounted to about $690,000,000, of which all but about $30,000,000 came from Canada itself. Allowing for the allotment, the amount of new money raised by the Dominion will approximate $660,000,000, which is of course the sum that should be taken into account in reckoning the total of the year's borrowing. To this there must be added $12,680,000, which represents the amount of Dominion of Canada debenture stock sold up to the time that the sale of this security was discontinued and approximately $1,000,000, which represents the year's transactions in war savings certificates. No total is as yet available of the amount of war savings stamps that have been sold but in any case it is only a small sum.

Provincial Financing

Practically every province with the exception of Quebec and Prince Edward Island has been in the market for funds and the total borrowed, which approximately $21,000,000, is nearly four times as great as in the previous year. During the spring months there was a succession of provincial issues, which created a good deal of interest as they were floated and which were all offered and rapidly sold at most attractive figures. There might have been further issues, as all needs were not supplied, but the high cost of the money led provincial treasurers to hold back and instead take advantage of an offer from the Dominion Minister of Finance to lend them money at a slightly more favorable rate than they could obtain in the open market. These loans, it is expected, will be repaid in the near future and new bond issues will be floated for the purpose.

MUNICIPAL BORROWINGS FOR 1918, BY PROVINCES

British Columbia	$ 4,584,574
Alberta	3,179,155
Saskatchewan	2,913,234
Manitoba	5,638,350
Ontario	16,500,000
Quebec	24,500,000
N. Brunswick	868,000
Nova Scotia	451,100
Prince Edward Island	....
Total	$58,584,413

The first provincial sale of the year was that of the province of Saskatchewan, which placed an issue of $650,000, 15-year fives with a syndicate composed of W. A. Mackenzie & Co.; Brent, Noxon & Co., Wood, Gundy & Co. and Dominion Securities Corporation. Manitoba came next with an issue of $1,000,000 ten-year sixes which went to a syndicate composed of Wood, Gundy & Co.; A. E. Ames & Co. and Dominion Securities Corporation. This was followed in February by a sale by New Brunswick of $1,000,000 ten-year sixes to A. E. Ames & Co. and J. M. Robinson & Sons. A week later Ontario sold to the same syndicate which handled the Manitobas an issue of $3,000,000 ten-year sixes. In March, British Columbia placed with Brent, Noxon & Co. and W. A. Mackenzie & Co. an issue of $1,000,000 ten-year fives and the same month Nova Scotia sold by tender to a number of institutions an issue of $1,300,000, ten-year sixes.

In May a public sale of $3,000,000 Ontarios was made. These were also ten-year sixes and were disposed of to a syndicate composed of Hanson Bros., C. Meredith & Co.; Aemilius Jarvis & Co. and R. C. Matthews & Co., on a 6.07 per cent. basis. In June the provinces of Saskatchewan and Alberta made public sales. The farmer sold $1,500,000 in twenty-year sixes to Ames & Co.; Dominion Securities; Mackenzie & Co. and Wood, Gundy & Co., on a 6.47 per cent. basis and the latter sold $825,000 in ten-year sixes to C. H. Burgess & Co. and the Canada Bond Corporation on a 6.58 per cent. basis. In July, Manitoba again sold a $1,000,000 issue to an eastern syndicate. This completed the provincial sales of the year. In addition Manitoba, Saskatchewan, and Albert have continued to sell a limited number of their securities locally.

Municipal Financing

Borrowing on the part of municipalities, including under this head, school districts, rural telephone companies and such organizations as water districts, highway and harbor boards, has been on a much heavier scale in the aggregate in 1918 than it was in 1917 and will run to about $59,000,000, as against less than $30,000,000 in 1917. This does not necessarily mean that municipalities have been spending more money. As a matter of fact the number of places borrowing has been smaller and the bond issues have as a rule been smaller. Where the increase has arisen is in the case of cities like Montreal, which have been setting their house in order, and Western cities which have had to borrow large sums against their tax arrears. The average municipality, on the other hand, has been limiting its borrowing only to absolute necessities.

The city of Montreal has been a conspicuous borrower this year, obtaining something like $16,300, on its own account and $3.400,000 on account of its schools. Most of this money was obtained locally. Toronto has borrowed $7,893,103, including $1,000,000 for its harbor commissioners. Most of this sum was secured through sales of bonds to the sinking fund. Winnipeg has again refrained from having recourse to the market, though Greater Winnipeg Water District bonds have been floated to an extent of over $5,000,000.

Vancouver's borrowing has been confined to an issue of $2,600,000, recently negotiated in connection with that city's tax arrear consolidation plan. Victoria has sold well over a million dollars' worth of bonds, of which a good proportion have been disposed of over the counter. Coming east, it is to be noted that Calgary placed $2,300,000 in 7 per cent. bonds last June, while Regina has disposed of over a million dollars' worth of bonds during the year. Ontario cities like London, Hamilton and Ottawa have all floated substantial issues. In the maritime provinces both St. John and Halifax have been sellers.

School Issues Few

There has been a reduction in the number and amount of western school district issues floated during the year. For 1917, the total was approximately $1,200,000 for the three prairie provinces; the 1918 figure does not exceed $1,000,000. According to the report of J. T. Ross, Deputy Minister of Education for Alberta, the total for the year in that province was $472,155, as against $287,265 in 1917, but in Saskatchewan, as reported by the Local Government Board, only $343,950 were sold compared with $540,000 the previous year. In Manitoba, the total was about $100,000, comparing with $372,735 in 1917. Restrictions placed on the floating of new issues last year accounts for the drop.

Rural Telephone Issues

Totalling the weekly reports of the Local Government Boards, it appears that sales of rural telephone company issues during 1918, barely exceeded $1,000,000. This is a very much smaller total than in 1917 when sales approximated $3,250,000 and in fact is only half the total of 1916. Here again restrictive forces have been at work to prevent the same extensive construction of telephone systems as in previous years.

Comparative Figures on Various Issues

	1914	1915	1916	1917	1918
Government	$ 85,415,330	$214,814,133	$208,621,933	$674,374,500	$696,000,000
Municipal	84,388,431	66,508,073	49,893,763	28,375,000	59,000,000
Railway	59,405,666	37,915,665	15,920,000	22,566,666	5,000,000
Public Service	25,131,725	14,605,000	22,950,000	15,425,000	2,375,000
Miscellaneous	18,593,915	8,050,000	19,531,666	17,067,800	5,155,000
	$272,935,067	$341,892,871	$316,917,362	$757,808,966	$767,520,000

Summary of Canadian Bond Issues in 1918

Government	$696,000,000	Canada	U.S.	Gt. Britain
Municipal	59,000,000	$659,236,667	$36,000,000	$3,163,333
Railway	5,000,000	58,000,000	4,000,000	....
Public Service	2,375,000	....	3,000,000	....
Miscellaneous	5,155,000	1,375,000	1,000,000	....
		3,505,000	1,650,000	....
	$767,520,000			
Total		$717,716,667	$46,650,000	$3,163,333

THE MIRACLE OF HOG ISLAND

Story of the Construction of the World's Greatest Shipbuilding Plant

When the first contract was signed, September 13, 1917, Hog Island was a desolate waste, largely covered with underbush; an almost impassable marsh. To-day it is the greatest shipyard the world has ever seen. It is larger than Cramps, Fore River, Maryland Steel, Newport News, New York Shipbuilding and Union Iron Works combined at the outbreak of the war. It has six ships in the water, one of which has been finally accepted by the Government and is at sea, and the others being fitted out in the wet basins. Two of these will be turned over to the Government in a week or two. Fifty ships are on the ways in various stages of completion, several near launching.

The labor transportation and material difficulties encountered, the severest weather in the memory of the oldest inhabitants all last winter when construction was in the early stages, proved to be delaying, but not insurmountable, factors. One cannot conceive of the vastness of the enterprise unless he has visited the yard. A statistical presentation is immeasurably less illuminating, but for the benefit of our readers who are unfamiliar with it we summarize Hog Island as follows:

September 13, 1917, contract signed.
September 20, 1917, actual construction begun.
February 12, 1918, yard 50% complete.
February 12, 1918, first keel laid.
August 5, 1918, first 7,500-ton ship launched.
846 acres of barren land converted into a shipyard.
26,000 men employed on the average, $600,000 weekly payroll.
30,000 men employed at present. $1,000,000 weekly payroll.
3.500 concerns furnishing supplies for construction purposes.
250 carloads of material received some days.
$10,000,000 total expenditures per month.
80 miles standard railroad track in the yard.
18 miles of roadway in the yard.
110,000,000 feet of lumber used for construction purposes.
150,000 piles driven, 50 to 70 feet in length.
22¾ miles domestic water piping installed.
17 miles of high pressure piping installed.
14 miles of sewers installed.
568 miles of electric wires put underground.
20,000 shovels used.
10,000 picks used.
165 automobile trucks.
20 locomotives.
70 locomotive cranes.
450 freight cars.
80,000 electric lamps purchased.
650 electric motors installed.
250 buildings erected. (25 acres under roof.)
50 shipways and 8 wet basins with piers 1,000 feet in length.
Training school established with 150 instructors.
Y.M.C.A. with auditorium seating 2,000 built.
Barracks for 6,000 men constructed.
Barracks for 600 guards constructed.
Hotel, with 2,100 bedrooms, constructed.
Four Fire Departments with 16 motor trucks erected.

There was no fee paid by the Government for the construction of this yard. The only funds received from the Government by the American International Corp., which holds the contract for the ships, is $82,000, the minimum fee on two 7,500-ton boats launched, or $41,000 a boat. The contract calls for a fee of $55,000 a boat with a penalty of $14,000 for delay. The Government imposed the penalty.

BOND MARKET HAS EXPERIENCED PECULIAR YEAR

Ability to Absorb Issues Seemed to be its Chief Factor

PRICES DROP AND RISE

Selling of Bonds Has Been Done Almost Entirely With the Country Itself

By W. A. CRAICK
Associate Editor The Financial Post

NINETEEN eighteen has developed some surprises in the bond field. The year was entered upon with two factors influencing conditions in the market. The first was the first Victory Loan, which had been floated just before the turn of the year. Its success had been remarkable, but there was a feeling that it was about all the country could do to absorb the huge volume of bonds that had been applied for, let alone purchase such new provincial, municipal or corporation issues as might be offered. The other factor was the continued shutting-off of the United States market under the operations of the Capital Issues Committee. Canada was literally isolated and it appeared as if there was little chance for ordinary bond issues to make any showing in the market.

During the first half of the year or up to the time when it became necessary to stop the floating of new issues in order to prepare the ground for the second Victory Loan, the market was treated to surprise after surprise, until by summer such confidence was established that it seemed as if there could be no limit to what Canada could do in the way of absorbing bonds. Provincial issue followed provincial issue, city issue followed city issue from January to July and yet these were all rapidly taken up; so completely so, in fact, that when the Victory Loan campaign terminated and regular business was resumed, offerings were never so scarce.

In spite, however, of the ease with which the market cleaned up the succession of new issues, there was no great advance in prices prior to the Victory Loan campaign. Earlier buying was done very cautiously, since bond dealers had no assurance that the market would be so favorably disposed as it was. Issues accordingly were purchased cheaply and offered at exceedingly attractive figures. Their very attractiveness naturally induced buying and it was therefore a question to what extent they would have been sought had the prices been higher. During the first half of the year, such remarkable offerings as these occurred: City of Montreal, five-year 6's to yield 6½ per cent.; City of Regina, 5-year 6's to yield 6¾ per cent.; Province of Alberta, 10-year 6's to yield 6.40 per cent.; Province of Saskatchewan, 20-year 6's to yield 6.30 per cent.; City of Calgary, 10-year 7's to yield 7 per cent.; Province of Manitoba 10-year, 6's to yield 6.25 per cent.; province of New Brunswick 10-year 6's to yield 6⅛ per cent. and Province of Ontario, 10-year 6's to yield 6 per cent. The 6 per cent. rate became established as a minimum and anything offered to yield from 6 per cent. up, according to its security, was sure of a ready sale. On the whole, the scale of prices during this period ruled below the low scale of the previous year.

The Up Swing Begins

The market began to show strength during the summer months, influenced in part by the more favorable war outlook and in part by the increasing scarcity of issues. There was a period of about three months from August to November, when the war news was most encouraging and when, concurrently, there were practically no new bond issues. This was the time when the Victory bond market began to firm up and the committee found it necessary to raise prices twice in order to bring out a sufficient supply of bonds to meet the demand. As the price of the Victories advanced, quotations on practically all other bonds moved up at the same time. At the opening of the second Victory Loan campaign conditions could scarcely have been more favorable.

From the conclusion of the campaign up to the end of the year, the bond market generally has been in great strength. It has already been stated that prior to the loan campaign there was a dearth of issues. This condition has been aggravated since the campaign and bond dealers have been at a loss to secure bonds to offer their clients. Prices have been advancing steadily, a high point having been touched when Toronto sold its harbor bonds on a 5.43 per cent. basis. In this connection it is to be noted that the United States market is again becoming a factor. While the permission of the Capital Issues Committee must still be secured before an issue can be offered in the United States, this restriction is more nominal than it was and there will be little further difficulty in selling Canadian bonds across the line. In fact, United States bond houses are reported to be about to open offices in the financial centres of the Dominion with a view to securing a supply of our bonds. The higher return from these securities naturally makes them attractive to the United States investor.

With the American market again open, with confidence abundantly justified in Canada's ability to finance in a big way and with a bond supply restricted, for the present at least, in volume, there would seem to be no question but that 1919 will find the Canadian bond market in a very strong position.

WAR'S REACTIONS

Judge Gary Says We Must Guard Against Panics

Elbert H. Gary, in an article in *System*, says war will bring reactions and readjustments with possible economic demoralization and depression and possibly panics "and we must be on our guard." Steel Corporation head points out there will be natural and certain amount of business and suggests that outcome may be looked forward to confidently. Discussing reconstruction he points out we should build on what we have rather than build anew, not forcing reforms, but letting them develop. Judge Gary says by reason of wealth United States will exercise commanding influence for long time, but makes plea for protection of American industry through tariffs worked out logically, scientifically and with reciprocal negotiations with other countries. When competing countries are ready to adopt free trade in respect to American goods will be time enough, he holds, for this country to consider similar action. "If we were to have free trade throughout the world we could probably take care of ourselves in any contest for disposal of what we have for sale," he declared.

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HEAD OFFICE, TORONTO

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Reserve Fund and Undivided Profits	7,500,000
Total Assets	110,000,000

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BEATING SWORDS OF WAR TO PLOW SHARES OF PEACE

What Britain is Doing to Meet the Problems of Reconstruction

SHELLS TO HOSIERY

Transformation of Munitions Plants to Peace Time Industries is Being Rapidly and Efficiently Effected

An interview with F. W. FIELD
British Trade Commissioner in Ontario

"IT is generally known that Great Britain, despite its tremendous war burden for over four years, has made extensive preparations for what is known as the reconstruction period," said Mr. F. W. Field, British trade commissioner in Ontario, in an interview with THE FINANCIAL POST. "The work has proceeded steadily and in a great number of directions. A federation of British industries representing many millions of capital and likely to represent several times that amount, has been created to stimulate exports. Its executive council are representatives of many important firms and trade associations such as the British Engineers' Association, the British Electrical and Allied Manufacturers' Association, and the Association of British Motor and Allied Manufacturers. The British Manufacturers' Corporation, with capital of $1,000,000 and a large membership, will be represented in most foreign markets. A Metal Bank has been authorized to assist the metal and chemical industries. The Government's Board of Trade has given important assistance to the dye industry. An extensive organization, including over 80 committees, has been created under the Minister of Reconstruction. Great attention is being given to scientific research.

"What is being actually done in the United Kingdom in the turnover of factories from war to peace purposes was recently outlined by Mr. F. G. Kellaway, parliamentary secretary to the Ministry of Munitions. For example, in the munitions area of Hebburn-on-Tyne, a firm, previously engaged on the manufacture of aeroplanes, is turning over to the manufacture of heavy toys and furniture, giving employment to 500 people. A Newcastle-upon-Tyne firm, from producing aeroplanes is turning over to household furniture making, and will give work to 500 people. Another firm in the same town is changing from guns to the building of locomotives—a new industry, which will find employment for 5,000 people. A firm at Burnley, which was manufacturing fuses, is turning over to the manufacture of electric fittings. At Leigh, in Lancashire, a firm is going to produce presses for brick-making, and it is estimated they will employ about 1,000 persons. A Sheffield firm is turning over from the manufacture of shells to files and springs, and expects to employ 1,000 persons. At Leeds one firm will cease to make steel pressings for mines and copper bands for shells, and make dairy utensils, while another, which was engaged in assembling aeroplanes, will devote its buildings to the making of iron valves as an adjunct to their brass valves department. One Birmingham firm is changing from the production of fuse components and aeroplane parts to the manufacture of motor accessories; and another from aeroplane parts to capstan lathes. At Matlock a firm is arranging to manufacture cream separators, which are now largely imported from America and Sweden.

From Munitions to Hosiery

"Three munition firms at Leicester, Ilkeston, and Nottingham are taking up the manufacture of hosiery needles which in pre-war days were practically entirely imported from Germany, and they hope to turn out a million, and later on two millions a week. Three Loughborough firms are devoting themselves entirely to the manufacture of hosiery bearded needles, heretofore imported from Germany. A Leicester firm which before the war was engaged in importing typewriters and selling and repairing them, now proposes to manufacture them. Another firm in the same town which formerly made vulcanite pressings for magnetos will now make fountain pens which were imported from America before the war. A third Leicester munition firm is laying out plant for producing hose-suspender fittings, which in pre-war days were almost wholly imported from Germany. Two other firms in Leicester are going to manufacture corset steel and wood wool from old pit props. The latter occupation will be conducted in the foundry where iron shells were cast for the war. Then there are several cases where manufacturers who were producing [illegible]-engines are going to make en- [illegible] for motor-cars, and another [illegible] similar character is going to turn out motors for small launches. In another case a firm is changing from tank and shell making to boot machinery, and in South Wales, tin can firms are in a position to begin civil work immediately, but are prevented from doing so at present owing to the difficulty of obtaining supplies of tinplates.

Trade Organizations

"As an important factor in British trade and commerce, now that normal times are returning, is the Imperial Government's Department from whom I receive instructions, namely, the Department of Overseas Trade (development and intelligence). This department combines the commercial activities of the Foreign Office and the work of the former Commercial Intelligence Branch of the British Government's Board of Trade. Under this department will soon be working sixteen trade commissioners in the British Empire. They are the commercial representatives of the Motherland in the overseas Dominions, etc. In Canada, three, and probably four, will be stationed; two already have taken up their posts.

This trade commissioner service is of recent origin. At the Imperial conference of 1907, Sir Joseph Ward, Prime Minister of New Zealand, called attention to the need for official commercial representation of the U.K. in the self-governing Dominions. Mr. Lloyd George, then President of the Government Board of Trade, was able to inform the conference a few days afterwards that arrangements for the appointment of such officers were being made. The measures, which were subsequently taken, resulted in the institution, in 1908, of the service of four trade commissioners, one being appointed for Canada and Newfoundland, and one each for Australia, New Zealand and South Africa. Each trade commissioner has the assistance of a number of Imperial trade correspondents situated in various districts of the Dominions concerned. In India and the Crown Colonies and Protectorates, the Government's Board of Trade have had the benefit of the assistance of trade correspondents, mainly officials of the local Government, who have acted in an honorary capacity.

"The work of the trade commissioners was under investigation by the Dominions' Royal Commission. In their report, issued in February, 1917, they made strong recommendations in favor of an increase in the number of trade commissioners in the Dominions, and of an extension of the trade commissioner service to other parts of the Empire. The British Government's Board of Trade had simultaneously been engaged on a scheme for the strengthening of the service, and it has now been decided to increase the number of trade commissioners from four to fifteen or sixteen. Under the new scheme, so far as the allocation of posts has been decided at present, it is proposed that four of the commissioners shall be stationed at important centres in Canada, the senior of them dealing also with trade in Newfoundland; the two trade commissioners will be stationed in Australia, one in New Zealand, two in South Africa, two in India, one in the West Indies, one in the Straits Settlements, and one will be unattached to any definite station overseas but will be available in the department for any special service.

"As a final comment on the value of the trade commissioner service, attention may be called to the following resolution passed unanimously on the motion of General Smuts, at the Imperial war conference in April last: 'The Imperial war conference welcomes the proposed increase of the Board of Trade service of trade commissioners and its extension throughout the British Empire in accordance with the recommendations of the Dominions' Royal Commission, and recommends that the Governments concerned should co-operate so as to make that service as useful as possible to the Empire as a whole, especially for the promotion of inter-Imperial trade.'

Relaxing Control

"The supply of materials to manufacturers in the United Kingdom is such that domestic control can now be considerably relaxed and it is anticipated that British manufacturers will immediately commence to build up again their vast export trade with markets abroad.

"The general sentiment, as you know, is strongly in favor of closer commercial ties between the various units of the British Empire. In Ontario, where I represent the British Government's Department of Overseas Trade, there are substantial signs that when the people of Ontario propose to purchase goods outside of their own country, they will endeavor to learn first with what Great Britain and the other parts of the Empire can furnish them and the manufacturers of the Empire generally are expected to take a similar interest in other sections of that Empire," concluded Mr. Field.

WAR AND THE "FLU" CAUSE ABNORMAL DEATH CLAIMS

Epidemic of Disease Has Caused Very Heavy Mortality

AFFECTS PROFITS

Policyholders Have No Reason to Fear That Life Companies Will Be Unable to Fulfil Contracts

FOR the life insurance companies of Canada, the past two or three months have been a period of considerable anxiety. The war was bad enough but the influenza epidemic has been worse and the two scourges combined have accounted for a death rate unprecedented in the history of insurance in the Dominion. It may be stated with some degree of definiteness that, taking the experience of all companies, the average rate will approach pretty close to 100 per cent. of the expected. Some companies will do better than this, while others will not have so favorable an experience, dependent largely on conditions in the companies themselves.

Not unnaturally both policyholders and shareholders will feel some apprehension as to the ability of companies to stand this unusual strain. The prime function of a life company being to insure lives against death and all calculation being based on a certain standard rate of mortality, it follows that when this rate is approached or exceeded, a company is sailing pretty close to the wind. While, of course, there is grave danger in such an experience, it must not be forgotten that practically all established companies have behind them a period when the death rate has been normal and when it has been possible to build up a surplus. The surplus to-day forms a reservoir from which support may be drawn in times of stringency and, even were the death rate to continue high for some time to come, there would be no serious cause for apprehension.

Effect on Shareholders

From the standpoint of the shareholder, the situation bears within itself the possibility, remote in most cases, of a cut in dividends. Or, if the company has not yet reached the dividend-paying stage, it may be that a call for more capital may be necessary in order to enable the management to meet the extra load. In either case it becomes the duty of the shareholders to grant that backing to the company which will enable it to perform the contracts undertaken with policyholders, and there is no reason to doubt that the shareholders of every company will see that this duty is carried out.

The policyholder himself, if so be that he is insured on the participating plan and this is true of most policyholders in Canada, will feel the effect of the increased mortality in the reduced profits that are apportioned to his policy. It would scarcely be the part of wisdom for a company to maintain its profits on the same scale as before, while drawing wholly on its surplus to meet the extra claims. A division of the burden between the two items is probable and both a reduction in profits and a reduction in surplus will be shown by a good many institutions. Policyholders who may be inclined to criticize the reduced profits should not overlook the fact that, during a period of greatly increased risk, no increase has been made in the insurance rate. Protection is continued without an extra cent of expense.

Record New Business

Canadian life companies have all had a big year as regards new business. The earlier years of the war showed a falling-off in this particular item, but in 1917 a record business was written and this year the total will be still greater. The gain is attributable very largely to the continued prosperity of the country, coupled with the aggressive methods of the life underwriters. The influenza epidemic itself has been a potent influence towards inducing men to insure their lives and the year closes with companies well up to their objectives.

In all departments of the life business, with the single exception of death losses, conditions have been satisfactory. Premiums have been well met, the number of lapses has been normal and the gain in insurance in force has been substantial. Loans on policies have not been in more than usual request and interest payments on mortgage loans have been satisfactorily covered. It is true there has not been the same demand for mortgages, but insurance companies have found a satisfactory outlet for their funds in other directions. Large sums have been invested in Victory bonds and considerable purchases have also been made of other bonds which were available at most attractive prices in the earlier months of the year.

The Interest Rate

The preponderance of 5 and 5½ per cent. government war bonds in the assets of life companies will have a tendency to reduce the average rates of interest being earned by most companies, but the difference between the 1917 and 1918 rates will not be very marked. It will be balanced to a certain extent by the greater security of the investment, which is superior in this respect to the average mortgage loan.

The insurance outlook in favorable and there is no reason to apprehend that the business will experience any great vicissitudes in the near future. It is true that the effects of the influenza epidemic are not yet over and may continue to be felt for some time to come, but there will be no further war mortality, and therefore, the rate, in 1919 should be considerably less than that experienced in 1918. If the prosperity of the country is maintained, and there is every reason to believe that it will be, the writing of new business will be facilitated and the conservation of old business be readily maintained. In short all the favorable features of 1918 should prevail, making the new year a banner one in the history of insurance.

GOLDT'S ESTATE

Losses on Waldorf-Astoria Cut Into Assets

Estate of George C. Boldt shows holdings in this state appraised at gross value of $2,154,995 and net $1,105,885. Equity in Bellevue-Stratford, Philadelphia, estimated at $7,000,000. At one time deceased was believed by intimate friends to be worth $25,000,000 and lowest estimates during his life fixed his fortune at $15,000,000. Although Waldorf-Astoria earned as high as $700,000 a year, in 1914 and 1915 hotel was operated at loss. Speculations in coffee and bad debts made heavy inroads into estate. Total stock and bond holdings appraised at $820,457, of which large part was in 1,000 shares Bethlehem Steel preferred, appraised at $160,000; 1,020 shares Mercantile Marine preferred, at $118,065; 200 shares Astor Trust Co., at $95,000. Cash in estate was $191,325. Real estate covered by state appraisal was $392,790. Outside holdings included Boldt's Santa Barbara residence valued at $108,260.

BRITISH CAN BUILD VESSELS CHEAPER THAN IN CANADA

New Industry Will Have to Face Strenuous Competition

WAGES AND MATERIAL

Advantages of Builders in England so Great That Readjustment May be Necessary to Keep Plants Busy Here

OTTAWA.—Under the programme of Canadian shipbuilding authorized by order-in-council last March fifty-five million dollars was to be expended. Up to the date of this article the contracts authorized may be summarized as follows:

Lake type	9	vessels
4,300 ton type	6	"
5,100 " "	8	"
8,100 " "	14	"
10,500 " "	2	"

As mentioned by Sir Joseph Flavelle in an interview given to this paper this week, the policy of the Imperial Munitions Board will be to push its shipbuilding activities to the limit, and as soon as the berths occupied by the Board's vessels are cleared they will be occupied by ships to be constructed under the Canadian Government programme.

For some time to come the government work will keep all the yards fully occupied. From the very first the Marine Department has been opposed to the increasing of the establishment of new yards. The steel available has not been sufficient to keep existing yards fully occupied, and the department felt that the best policy was to keep existing yards occupied to their full capacity rather than to increase the number of yards when, owing to the scarcity of labor and material, they would not be running full time. It was also felt that if at any time in future construction should decline, the same thing would apply.

The Matter of Price

The prospects for the future largely depend on how far we in Canada can go in the direction of building ships within measurable distance of what they can be built for in the United Kingdom. This applies to the future of shipbuilding in the United States also, because at the present time prices in the Canadian yards compare most favorably with the prices for ships of the same type in American yards.

At present, ships built in Canada are costing about double what they cost in the United Kingdom. This is due to the high cost of material which, in turn, is due to the high cost of labor, mainly.

Steel plates have been available to builders in Great Britain at a price of, approximately, fifty-five dollars a ton. Compare that with the following schedule, showing the delivered cost of steel per long ton from Pittsburgh and Chicago to different points in Canada:

From Pittsburgh to	Cost per
Vancouver, Victoria and Prince Rupert	$102.25
Port Arthur	89.37
Toronto	74.84
Collingwood	80.19
Montreal	96,89
Three Rivers	81.87
Quebec	81.87
Halifax	84.67

From Chicago to	Cost per long ton
Vancouver, Victoria and Prince Rupert	$100.80
Port Arthur	82.32
Toronto	79.29
Collingwood	81.08
Montreal	99.68
Three Rivers	84.78
Quebec	84.78
Halifax	87.36

So much for the relative cost of materials with ourselves and our great competitors. The next factor is the cost of labor in the shipyards. The following are the wages paid per week to the different classes of shipyard workers in Great Britain and in different points in Canada:

WAGES PER WEEK TO SHIPYARD WORKERS IN GREAT BRITAIN AND CANADA

Trades—	England 50 hrs.	Montreal 50 hrs.	Port Arthur 50 hrs.	Pac. Coast 44 hrs.
Shipwrights	$16.50	$27.80	$34.45	$36.30
Joiners	16.50	26.50	35.77	36.30
Patternmakers	16.50	31.80	37.00	39.30
Plumbers	16.50	27.80	34.45	33.00
Blacksmiths	16.05	27.80	34.45	33.00
Hammermen	13.00	17.50	35.15	24.64
Painters	16.05	23.85	29.15	20.22
Machinists	14.40	29.25	35.75	33.00
Rivetters	15.55	29.15	35.75	33.00
Holders on	14.15	26.25	26.50	25.52
Platers	16.05	29.15	26.50	33.00
Caulkers	15.55	29.15	35.75	33.00
Electricians	16.50	27.80	35.77	33.00
Riggers	13.20	23.85	31.80	33.00
Laborers	12.70	20.00	21.20	21.12
Engineers	16.09	33.75	33.75	33.00
Boiler makers	.....	39.25	33.75	33.00
Boiler makers, rivetters	16.50	39.25	33.75	33.00
Boiler makers, helpers	12.40	20.00	22.50	23.65

Needless to say, if private capital is to be invested in the purchase of ships, they will buy in the cheapest

Continued on page 27

NATIONAL TRUST COMPANY
LIMITED

Capital Paid-up, $1,500,000. Reserve, $1,500,000
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CANADA MADE A REMARKABLE RECORD IN THE PRODUCTION OF SHELLS AND OTHER MUNITIONS

How Canadians Succeeded in Mastering a New Industry

INTERESTING FIGURES

Some Statistics Illustrating the Scale of Activities and an Outline of Organization Behind War-time Industry

By W. F. FIELD
From the Annual Review of Canadian Machinery

AMONG the romances of commerce which the war has produced in Canada, there is none more striking than the organization and work of the Imperial Munitions Board, which, in the three years of its operation, furnished to the Ministry of Munitions and other departments of the British Government, Canadian manufactures to the value of one billion, one hundred million dollars. This enormous commerce was developed literally from the ground up, because, prior to the beginning of this war, there was no munitions industry in Canada, or no thought that such an industry was capable of any serious development. Mr. Churchill might well say, as he took the earliest opportunity to do in a handsome acknowledgment of the work of the Munitions Board on the cessation of hostilities, that "Canada's remarkable output of munitions has played a large part in the munitioning of the British armies, and will remain a testimony to the high value of the work of the Board in this great struggle"; a tribute in which Premier Lloyd George coupled the staff of the Board, the Canadian manufacturers, and the great army of workers who so splendidly assisted.

SHELL STATISTICS

The following figures give a summary of Canada's accomplishments, during the last four years, in the production of munitions of war, referring especially to the British contracts:

Total number of shells produced, 65,000,000.

Approximate number of components for which Imperial Munitions Board let separate contracts, 800,000,000.

In addition to the 60,000,000 of shells produced, there have been a great number of components exported. In the production of this material steel has been used to the amount of 1,800,000 tons.

(About 75% of this steel is Canadian product).

Quantity of high-grade explosives and propellants produced, 100,000,000 lbs.

Value of orders placed through the Imperial Munitions Board, $1,200,000,000.

Amount furnished by Imperial Government for above purpose from sources outside of Canada, $400,000,000.

Amount loaned by the Government of Canada and by the Banks in Canada for purposes of the Imperial Munitions Board, $600,000,000.

Approximate number of contractors in Canada, 1,000.

Number of workers engaged in war contracts, 200,000-300,000.

Approximate number of persons employed in handling stores in transportation and other collateral organizations, 50,000.

Approximate total number of workers, 350,000.

As a matter of record, it might be noted that the first shells made in Canada and shipped from a Canadian plant, outside of a few at the Quebec arsenal, were made at the C.P.R. shops at Montreal, and this was mainly due to the keen personal interest taken in the matter by Lord Shaughnessy. The British army tried them and pronounced them good. Then small orders began to come in from Great Britain, and the manufacturers got interested. Gradually orders came for the larger shells. No order, great or small, was ever turned down.

The second plant to take up the work was the Ingersoll-Rand Drill Company at Sherbrooke. Although no Canadian manufacturer had ever previously made a shell, or a cartridge case, or a fuse, they were willing to try. In December, 1914, there were two firms shipping; January, 1915, 8 firms; April, 1915, 14, and in June, 1915, 36 firms, with an average weekly production of 77,000 shells. The maximum point in the industry was reached in June, 1917, when 53 firms were engaged in the work, with an average weekly production of 386,000 shells.

A few 13 and 15 pound shells were made at first, but serious production was early directed to the 18-pound shrapnel. In fact, while the industry was handled by the Shell Committee, which it did for the first fourteen months, it was mainly engaged in the production of 18-pounders and high-explosive. Cartridge cases and some other component parts were also produced in small quantities, but no complete rounds.

Working Under Adverse Conditions

The Shell Committee had done good work. It broke the ground, and was instrumental in inducing Canadian manufacturers to engage in the new industry, which many of them were loath to do. In the criticisms which were so freely made of both the Committee and the manufacturers, little thought was given to the conditions under which they were operating. To engage in the work meant practical abandonment of the plant and organization which they had built up, to engage in a work which was unknown to them, and to embark their capital in an industry, the life and death of which was uncertain. This was a time, it should be remembered, when men were predicting an early end to the war. Under such conditions no one would be likely to engage on what all admitted was a very necessary work except at a rate of profit higher than normal.

Criticism was not lacking. It was painful and frequent and free in public, press, Parliament, and even in the pulpit. The result was that the existing arrangement became unsatisfactory to all concerned. The Shell Committee went out of business after having been responsible for about 3,800,000 shells, and its place was taken by the Imperial Munitions Board.

Turned to a Real Autocracy

The organization of the Shell Committee had been democratic, and like many of the creations of democracy, it had failed to give satisfaction to its creators. The Imperial Munitions Board was a pure autocracy. Final authority and responsibility was vested in the chairman, Sir Joseph Flavelle, the other members of the Board being: Brigadier-General Sir Alexander Bertram, vice-chairman; R. H. Brand, representative of the Board at the Ministry of Munitions, London; Col. D. Carnegie, ordnance adviser; G. H. Dawson; Brigadier-General W. E. Edwards, H.A., director of inspection (Canada); F. Perry, financial member; J. A. Vaillancourt; E. R. Wood. Sir Charles Gordon was representative of the Ministry of Munitions in Washington. The Board was an integral part of the British Ministry of Munitions, directly responsible to the Minister, and the British Government was financially responsible for all its expenditure although the Government and the banks of Canada advanced three-fifths of the total sum expended.

The Imperial Munitions Board took over the work in November, 1915, when the demand for shells was still small in comparison with what it soon became. The development of the systems of barrage and intensive bombardment created a new problem for the munition makers, creating a demand for shells never hitherto dreamed of as possible. Canada was asked for six, eight, and nine-inch high-explosives, and also for the component parts to produce complete rounds, and the Ministry of Munitions seemed to have a considerable degree of confidence that it would get them. It was waking up to the possibilities of Canada as a source of supply, and the Canadian manufacturers were waking up to their own ability.

The Work of Organization

All this meant something very much more intricate and elaborate than any problems which the Board had hitherto encountered. It was seen that the work must be allocated among the forty or more firms which had by this time gone into munition making, and that provision must be made for controlling their supply of raw materials and machinery as well. The motto of the Board became: "From each one according to his ability; to each one according to his needs." This was good for both the Government and the manufacturers; it regulated supplies and stabilized prices both of raw material and of the finished product.

A purchasing department was organized to supply the manufacturers with their raw materials; a distribution department which directed the supply of the same to the best advantage, and a production department which had supervision of manufacture, and rendered expert advice and any other assistance required. There was also a labor department for the supply of help to the plants, and an inspection department whose work was of the most vital importance and assistance, not only to the Government, but to the manufacturers as well. The inspection department had as many as eight thousand persons on its pay roll.

The organization of the Board was well-nigh perfect. It summoned to its assistance, in one capacity or another, the best brains and skill available, and it worked in the utmost harmony. It may be imagined that any organization having in its hands an expenditure of over a billion dollars early attracted the notice of the birds of prey. Graft, like death, loves a shining mark, but the men at the head of it were determined that the British taxpayer, who was paying a fair price for what he was buying, should receive full value for every cent of that billion dollars, and it was not long before the fact was fully understood that the Board was not a mark for anyone. After that it was left severely alone by all except legitimate business men, and they have always been glad to do business with it.

Newspapermen may, perhaps, have a slight grudge against the Board. It was almost barren of information. It did not seek publicity; in fact its business was of a kind where the utmost secrecy as to its operations had to be maintained. It is notable that in all the time its mammoth operations were being conducted there was never a "leak" of any kind. All that was being known was that the Board was producing the goods not only to the satisfaction of the Ministry of Munitions, but to its surprise and delight.

Went Into All Phases of Work

The mere manufacture of shrapnel shell was an accomplishment in itself, but it was slight in comparison with the work involved in furnishing the complete munitions. This meant buying steel, copper, zinc, lead and antimony. The steel had to be rolled into bars, the bars forged into shells, and the forgings machined. The copper and zinc had to be made into brass, the brass into discs, and the discs into cartridge cases. The lead and antimony became bullets, and the bullets produced "good" Germans. Explosives had to be made or bought and filled into shells, fuses or cartridge cases.

Existing plants could not cope with the Board's demands, so it built plants of its own—enormous plants. The fuse plant at Verdun; the British Forgings at Toronto; the explosives plants at Renfrew, Nobel and Trenton; the aeroplane plant at Toronto—when you examine the perspective drawings of them on the walls of the Munitions Board offices at Ottawa, you wonder at the energy and organizing ability which made these modern forges of Vulcan spring up overnight. If you were a German you would say: "An enemy hath done this thing," and you would have as much respect for the Canadians who were behind the man behind the guns as for those who aimed and fired them. Once, when Randolph Churchill tried to hold up a Government of which he was a member, he found his plans upset by reason of the fact, as he said, that he "forgot Goschen." One of the factors the Kaiser failed to take into account when he started to upset the world, was little one-horse Canada.

And this is not mere braggadocio, either. When Randolph Churchill's son cabled his congratulations the other day, he had in mind the fact that in the second half of 1917 Canada was producing 55 per cent. of the shrapnel, 42 per cent. of the 4.5, 27 per cent. of the 6 inch, 15 per cent. of the eight inch, and 16 per cent, of the 9.2 inch shells used by the British armies. Wilhelm remembered Canada then. In addition to the munitions for the British Government, the Board at different times was filling orders for the Italian, Russian, and Belgian Governments, and when the war was ended, was handling very large orders for the United States.

Conditions Better Than in States

One of the surprising features of the war has been the comparative failure of our neighbors in certain particulars wherein they have always been reputed to be notably strong, and the display of an unlooked for moral strength. The failure of the United States in the matter of munition and aeroplane production as compared with Canada's handling of the same problems, was as pronounced as their superiority over us in the matter of solving the conscription problem, or the handling of the I. W. W. and other revolutionary malcontents. The dislocation of the ammunition and aeroplane programme with our neighbors appears to have been largely due to a lack of co-ordination of the manufacturing end, a problem which, as already mentioned, was solved here very early by the Board, when it organized its purchasing, distribution, and production departments, and itself took in hand the centralizing of the supply of raw materials. It is a very fine thing that two good neighbors should be able and willing to learn from one another and profit by each other's successes and failures, and this we have both done.

The activities of the Board were not confined to the production of war materials. They showed such a willingness to take on new problems and handle them successfully that the British Ministry of Shipping asked for aid, and at the end of 1916 they had begun placing orders for steel ships and reviving the wooden shipbuilding in-

Continued on page 29

PRICE OF WHEAT AND PRODUCTION OF LIVESTOCK

Some of the Problems Being Faced by Canadian Farmers

THE FEED QUESTION

Turning From Products Into Meat Promises to be Good Farming Owing to World Shortage of Animals

By F. M. CHAPMAN
Editor Farmers' Magazine

THE wheat production of the Northern Hemisphere for 1918 was some six per cent. above the five-year average. Not only has there been a greater than normal consumption of wheat during the year, but the reserves held in these countries have been depleted so that under ordinary times it would be natural to expect a wide demand for all the wheat that could be produced in 1919. The last crop is well accounted for. Seeding demands in the spring as well as consumption, will find shortages again. Much speculation concerning Argentine and Australian crops has been going on, but too much cannot be banked upon from these quarters. There is a very little exportable surplus from South America, while the long voyage, the deteriorated stores and ship shortages will all work in favor of maintaining American and Canadian prices in Europe for our 1919 wheat.

As noted in THE FINANCIAL POST, the price situation is troubling politicians. What Canada's wheat will sell for next fall is the problem, in view of the fact that the U.S. has guaranteed $2.24 for her crop, and her fall wheat crop has the largest acreage in her history with the condition at this time only once exceeded. The outlook is for a big crop in response to the Government's appeal for bread. It is certain that our wheat crops will all be needed in a world that is being restored to normal conditions. The U.S. Food Board assures us that "the world will not be safe from hunger until a reserve of three hundred million bushels of wheat has been established." Under normal times the U.S. consumes about 5.3 bushels of wheat per capita. Last year this consumption was abnormally low, from 10 to 20 per cent. less. Now that the war is over and there is no need for substitutes and saving of food, the wheat consumption of the world will likely jump to a higher than ordinary rate which fact will tug at supplies sufficiently to keep demand at the fixed price levels.

The Livestock Outlook

Canadian farmers have raised a big crop of coarse grains in 1918 but these will be all needed in the livestock industries. The big corn crop of the U.S. will not disarrange prices very much as long as the demand for meats continues high and livestock world shortages are so great as statistics show about Europe.

The oat crop of Canada for 1918 was over 450 million bushels as against 400 millions in 1917. Barley 83 millions, against 55 millions, and rye 10 millions, against 4 millions in 1917. Buckwheat, peas and beans are each a larger crop than formerly. Against this Canada has an increased livestock population. These increases are best shown by a reference to the statistics. It will be noted that Canada carries more cattle, sheep and hogs than in the pre-war year. Prices are still on a war basis and so long as these obtain, wheat futures will remain firm, that Canada will have to regulate the situation in 1919 looks as necessary as in war time.

000's Omitted.

Livestock.	1914.	1917.	1918.
Horses	2,947	3,412	3,609
Cattle	6,036	7,920	10,050
Sheep	2,058	2,369	3,052
Swine	3,434	3,619	4,289

Greater Production

A campaign has just been launched by the livestock men of Canada, that has for its ends the increasing of our herds, and a steady export trade of our pork, beef and mutton with Europe. The increased impetus given to livestock production will have the effect of utilizing all our coarse grains and stabilizing our markets. The development of our export trade in meats depends a great deal upon our transportation, terminal storage and credit abroad, facilities established. Assuredly there is room for an intelligence service outside Canada for agriculture.

Then there is the big corn crop of the U.S. to reckon with. This feed is in better shape than last year and with a fixed bacon price and high beef figures, the supply will go into consumption rapidly.

Other Problems

Much dissatisfaction exists among the bacon producers over the large stocks even from 1917 that are on hand. The entry of Oriental beans into Canada has something to do in lowering the demand for Canadian-grown, and the farmers, perhaps, have been holding for better prices too long.

Flax growers are also in a waiting mood. During the war Canada has been going steadily into fibre flax production, while the oil flax has been somewhat neglected. Now it begins to look like a swing to oil flax in Western Canada to redress the shortages in oils and feeding cake for the rebuilding period. This again will likely lower the spring wheat acreages slightly in favor of flax. Whether Ontario will continue in her work with fibre flax remains to be seen. It would be unfortunate if she let slip the possibilities that were opening up.

BRITISH CAN BUILD VESSELS CHEAPER THAN IN CANADA

Continued from page 26

market, and cost of building being about the same here and in the United States the competitor of both countries will be Great Britain. If the industry is to expand, or even continue to the same extent as before the war, it is apparent that it can do so under one of two conditions: wages must come down in the steel making and shipbuilding trades, or the industry must be helped by some system of bonuses or tariff protection.

Before the war a common objection to the feasibility of building ships here was that we did not have a supply of skilled labor. That objection has, to a large extent, vanished. A large body of skilled labor has been trained here during the war. As a matter of fact there is nothing very intricate or technical about the majority of the operations in building a ship, and the time required for men to become reasonably skilled is not long.

The immediate policy of the government in regard to the industry will be to fill up the present berths as they become empty, and, so far as can now
A total of 2,985 merchant ships were
be seen, this will continue for an indefinite time to come.

Australian Senate has passed a resolution that captured German possessions in the Pacific, now occupied by Australian and New Zealand troops, should not be restored to Germany.

U.S. Navy Department estimates for 1920 fiscal year call for $2,441,900,000 expenditures. Estimates were made with expectation of continued war and will be materially reduced.

A total of 2,985 merchant ships was built in the United States between April 6, 1917, and Nov. 11.

INCORPORATED A.D. 1833

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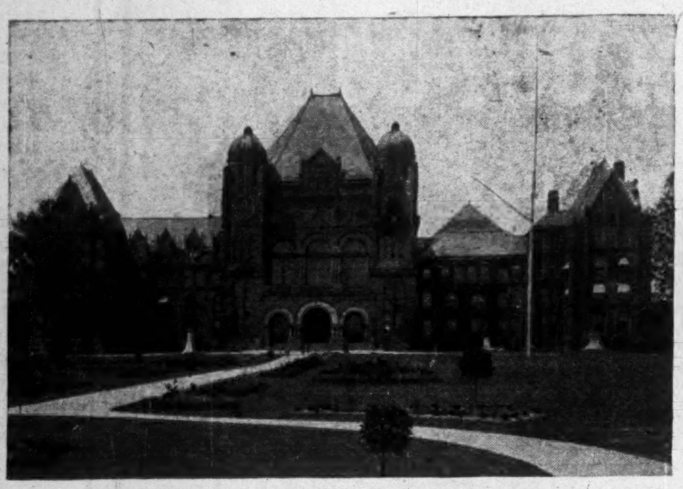
ONTARIO

Canada's Keystone Province



PARLIAMENT BUILDINGS, TRONTO
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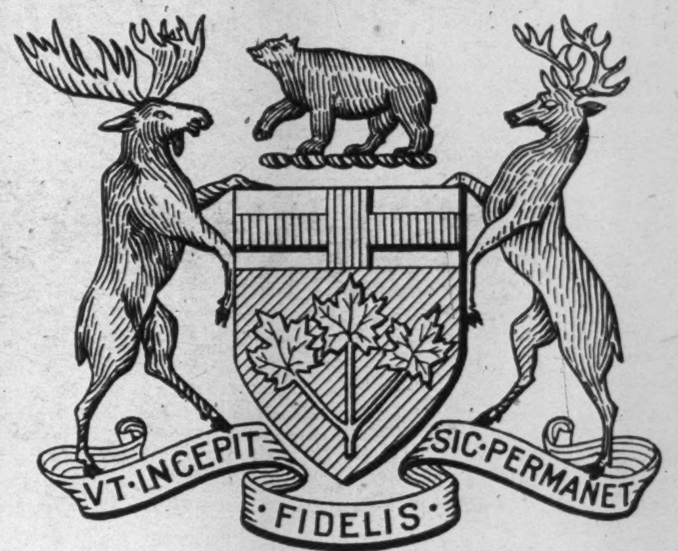

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Fisheries	**Electric Power**

Because also of the

Character and Number of its Population — **Careful Management of its Affairs**

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Natural Resources

ONTARIO includes 230 million acres of land, of which only 13½ millions are under cultivation. **More than 20 million acres of the very finest arable land await the plough.** Ontario is 3½ times as large as the British Isles, 1½ times as large as Texas. From east to west its borders are 1,000 miles apart, and from north to south 1,075 miles. Timber licenses have been issued for only about 10% of the 200,000 square miles of wooded land. Extensive forests of pine and other woods are yet untouched. Practically all minerals excepting coal are found in Ontario, and there are 4,300,000 h.p. in "white coal" still undeveloped. The value of farms in Ontario, including lands, buildings, implements and live stock, is estimated at $1,480,000,000, yielding an annual gross return of at least 23% of their value.

Bordering on the Great Lakes, and with one-third of Canada's railway mileage, and five great canals within its borders, every advantage of transportation is available. Ontario is the natural distributing centre of Canada. Every encouragement is given to industries, and most new Canadian factories locate in Ontario.

SECURITY UNSURPASSED

Cash and Debenture Assets of the Province, Public Buildings and Lands and other Eestimated Assets, as at October 31st, 1917.

1,000 Per Cent. Security

Behind every $1,000 bond of the Province of Ontario is over $10,000 of actual Government property.

In addition, there is behind each $1,000 bond of the Province almost $40,000 of assessed property, which also secures the Province's bonds under the taxing power.

Every dollar of funded debt of the Ontario Government is thus secured by over $50 of tangible assets.

Ontario has in assessed value $2,000,000. The annual production of the Province is $1,152,000; uncultivated farm land extends to 20,000,000 acres. There are 19,000,000,000 feet of available timber, 300,000,000 cords of available pulpwood, and the undeveloped waterpowers of Ontario represent 4,000,000 h.p. for future industrial use.

Immense Contingent Assets

The annual product of Ontario's farms, mines, forests, industries, etc. (which under the tax power of the Province secures all Ontario Government bonds), would pay off the entire direct bonded debt of the Province over 22 times and do it each year!

Values of Ontario's Products

	Ontario	All Canada
Value of farm products	$450,000,000	$1,100,000,000
Value of mineral output	52,000,000	138,500,000
Value of timber output	50,000,000	172,500,000
Value of manufactured products	715,000,000	1,390,000,000
Total	$1,267,000,000	$2,801,000,000

Development

The utilities necessary for development are further advanced in Ontario than anywhere else in Canada. The Ontario Hydro-Electric Commission operates 450 miles of 110,000-volt power lines and 1.250 miles of lower tension lines—44.000 volts or less. There are 50.000 miles of **highways and 10,000 miles of colonization roads**; 10.039 miles of steam railways and 772 of electric. The Temiskaming and Northern Ontario Railway, owned by the Province, operates 330 miles, connecting Northern Ontario and Toronto. Nine of Canada's 22 chartered banks, with assets of $645.290.525, have their head offices in Ontario, and the Province also has 1.135 of the 3.094 branch banks in Canada.

1.000.000 Dollars a Day From Ontario's Farms

Ontario's agricultural production on an average of several years' returns, approximates $365.000.000, or at the rate of $1.000.000 a day. This estimate is made up as follows:

Field Crops	$210.000,000
(or 39% of all Canada's)	
Dairy Products	40.000.000
Fruit	26.100.000
(75% of all Canada's fruit is grown in Ontario)	
Tobacco	2.000.000
Live Stock	93.000.000

Improved Farms are for sale from $500 to $50.000, while homesteads of 160 to 200 acres are given free or sold for 50 cents an acre in four annual instalments. The bush farm presents many advantages over the prairie farm, including scenery, shelter, fuel, lumber, pine atmosphere, delightful shaded walks, and profitable winter employment.

Northern Ontario —The Land of Promise

NORTHERN Ontario's Famous Clay Belt stretches west and north from the Ottawa River, along either side of the Grand Trunk Pacific Railroad, right to the Manitoba boundary.

Note that this fertile land is one degree south of Winnipeg. The climate is ideal for perfect health, warm in summer, cold and invigorating in winter.

The land is well watered with lakes and rivers and covered with merchantable timber.

Millions of acres of the finest agricultural land comprise the famous clay belt, and it has been proven that certain sections are aready producing wheat equal to the finest Manitoba hard.

It is encouraging to know that a great stretch of uncultivated land lies out invitingly before the prospective farmer, but the encouragement is deeper than that. It may be justly asked, "Has the soil been practically tested?" "If so, what are the results?" The answer is that settlers have gone into all the districts. To see the crops grown by them is a revelation.

ONTARIO'S BALANCE SHEET

ASSETS

31st October, 1917

Sinking Funds, Balances in hands of Banks and Dominion Government, Railways, Hydro-Electric Properties, etc.	$57,724,779	
Government Buildings and Lands connected therewith	22,016,377	
Agricultural, Mineral, Timber Properties and water powers, owned by the Province (estimated)	503,000,000	
		$582,741,156

LIABILITIES

Total direct liabilities	$ 61,795,108
Indirect liabilities and guarantees fully secured	19,064,317

Taxable Property in Ontario Actually Assessed by Municipalities, over $2,000,000,000

Area, 407,252 square miles. Population 2,750,000

ANNUAL REVENUE $13,269,597

HOW THE STOCK EXCHANGES ARE TAKING THE ROUGH JOLTS OUT OF FINANCIAL RECONSTRUCTION

The Ticker Showing a Keen Perception of Coming Events

THE SPECULATIVE SIDE

Speculation Gives the General Public a Mistaken Idea of the Great Usefulness of Stock Market Machinery

By H. H. BLACK
Resident Representative of The Financial Post at Montreal

IF the stock exchanges of Canada and the United States were to be judged by superficial indications, their behavior towards the glad tidings of peace might well be called into question. There was no cheering, no enthusiasm. The aspect was rather one of apprehension; life had assumed, suddenly, a more serious import. Scarcely anywhere was there an evidence of cheerful buoyancy; one would have thought the market did not welcome peace.

But the signing of an armistice is a present-day matter, an affair of the moment; the market in the main serves its more legitimate and infinitely more important function as an interpreter of the future, commercial, financial, political, individually and combined. It is discounting future events continually. For the moment a big contemporary event may overshadow all other considerations; unusual earnings of an industrial concern may drive quotations up. But the drive is short-lived, if these big earnings are regarded as only transitory; they must be an evidence of things hoped for and likely to be realized in the future as well.

Discounted Before It Happens

Many have wondered why a stock frequently declines after an increased dividend is announced. That has happened time and again. The explanation that is readily quoted is "The market had discounted that increase." Not the public—who were unaware of what was coming—but the "unders" knew what was a fact, and either "got out" or "got in." The exchange price of that stock for days, even weeks in advance, had been influenced and moulded into an anticipatory expression of the news that was to reach the public later. This way and that, the roots of its securities stretch out in the innermost recesses; one would imagine that concealed dictaphones lurked in the board rooms of directorates—to transmit their secrets to some section of the stock exchange.

Peace Meant Reconstruction

Hence, peace did not connote for the stock exchange simply a cessation of hostilities. That was a mere incident. It meant reconstruction, a stopping of movement in one direction, a right-about-face, to gather momentum slowly, in another. Uncertainty and confusion reigned as to the future, and with the wisest guides in all the world at its disposal the stock exchange was confused, and could give no defined leadership. The breaking-up period had come—the remaking era; and almost feverishly it started to deduce from those connections that stretched one here and there into the heart of things; that the steady operation of discounting might see as little interruption as possible.

Great Factor of Readjustment

The stock exchanges in the period upon which we have entered will perform an invaluable service in the direction of anticipating future events, getting close in to industrial and financial conditions. It will be the great factor of readjustment in industry or finance. In this direction one of the shrewdest of New York's financiers remarked a short time ago, "The market will accomplish in a month what it will take the business world six months to do." It will do it through its marvellous insight, and "inside" connections.

To those who may scoff at the stock exchange as, in the main, a medium for speculative action, for risking money to make big returns suddenly; as a place where "easy money" is made—and lost again, it may be; as a place where this stock is manipulated and a rise engineered to allow of the big inside holders unloading at a profit, and buying back, it may be, many points below; to those who refuse to regard it as probably the most correct barometer to business conditions, let it be said that the characteristics that have been condemned unworthy are only a phase, a passing phase in most cases, of the function of the stock exchange.

It is a medium of values—and it is new, readjusted values that we are seeking now. Without the medium of the stock exchange many of our attempts to readjust these values would be futile. Speculation does enter, more or less, into the earlier periods of readjustments of values—when stocks move up or down—it is the very essence of speculation that it shuns the established valuations. The more the element of investment is attracted the speculative element is banned.

Take the steel industry. Perhaps in no other has there been so much uncertainty as to after-the-war conditions. Steel stocks have been weak for months. They are weak still. But once let a big order here and another there reach the steel mills, as indicative of a revival of the steel business, and at once the stock market becomes more buoyant. It registers an improved condition.

And the general public, noting this, take confidence. The adjustment upward inspires confidence all along the line, and confidence begets sales, business, a swing to industry. That is what the stock market will do to business once it gets started. Just now it is seeking to determine values in the readjustment, to peer into the future, to pick up from the financiers and the business men all the little and big strands of information they possess, and do its own reconstructing along the lines of its own special prerogative, listed securities.

And whether the average business man believes in it or not; whether he ever buys or sells a security or not, in the next few months it will mean more to his particular business in all likelihood if the stock exchange turns strong no matter how conditions are; will money be available for the exchange in the form of "call loans" until commercial requirements are satisfied? But there is every indication that money will be easy and available in plenty. And this in itself is a condition that will react favorably on buying and selling, the epitome of business.

The reception of Victory Bonds of 1917 on being listed on the exchanges has helped business in strengthening public confidence. It was the best thing that could be done with those bonds. Before, in charge of a committee, little was known by the public; perhaps artificial support was required to prevent a big slump, it was suspected. But on the exchange—a wide-open mart—the law of supply and demand acts inexorably. And the public—whether they condemn or have faith in the stock exchange—accept the decision it gives in the daily Victory Bond transactions, and is satisfied with conditions and a renewed confidence in the reconstruction outlet is born. Where else could this particular proof be secured?

One year ago it was thought best to screen the Victory bond market, to appoint a committee, to secure a credit from the Government acting through a certain bank to buy up these bonds in case the offerings were too big for the demand, to support the market; in other words, at a fixed price about the issue cost of the bonds. As a precaution probably nothing else could have been done. As it turned out, listing on the stock exchange would have worked out as acceptably to the sellers as the work of the private committee, and the acid test of value would have been applied to the advantage of our business life, to the upbuilding of confidence.

The stock market in the larger spheres provides the factor of valuation according to the same unchangeable law that fixes the prices of butter and eggs for the farmer's wife, at the counter of the "general" store in the village, or in the city market, as she stands patiently beside her horse and cart.

The stock market in the reconstruction period may not only serve to beget confidence and readjust values, but as in normal times it becomes one of the most powerful agencies for the securing of new capital for industrial development. This applies not only to those companies whose stocks are already listed, but flotations will be provided with a standard of values that would be impossible were it not for the readjustment that the exchange will have caused in the old or new issues.

In these and many other ways intimately associated, the stock exchange will be an important factor in readjusting, in taking the jolts out of reconstruction.

THE TICKER AND THE WAR

Stock Market Operations

True it is that when the shock of war came it was necessary to temporarily suspend operations. But war was unforeseen. The market was not able to adjust prices but it performed an even greater service for the time being in the establishment of minimum prices which prevented the dire consequences of what would undoubtedly have been a debacle of selling from those desiring to realize at any price.

Since July, 1914, the market has been the great buffer between business and events, and has provided constant protection for the investor and stockholder in the interpretation of current developments. Otherwise it is not hard to realize that the different stages of the war would have been accompanied by violent speculative movements with buyers and sellers left to their own resources in interpreting the significance of events and without information as to the general judgment of values.

In the future the same control should be exercised in the readjustment period and though today conditions are very unsettled there is, perhaps, no better barometer of business developments than the super-sensitive ticker.

WHAT CHINA BUYS

Some Detailed Information of Value to Canadian Exporters

Ranged in the order of their importance last year here is the table of classes of goods imported by China in millions of taels:

Articles	1913	1914	1915	1916	1917
	Value in Million Taels.				
Cotton goods	182	183	149	136	158
Cigarettes and material	12	13	12	25	31
Rice	18	22	25	33	29
Sugar, refined	14	12	13	19	28
Metals and minerals	29	28	18	26	25
Kerosene, American	14	24	18	23	24
Coal	9	8	8	8	15
Leather	7	5	5	7	9
Sugar:					
Brown	9	7	7	8	7
White	10	9	7	6	6
Opium	41	37	24	10	6
Cotton, raw	2	2	6	8	6
Kerosene, Sumatra	6	6	5	4	6
Machinery	6	8	4	6	5
Matches	6	5	5	7	5
Paper	6	5	4	8	5
Electrical materials	2	2	2	3	4
Soap	3	3	2	2	4
Miscellaneous piece goods	3	4	3	3	4
Clothing and hats	1	4	3	4	4
Woolen goods	4	3	2	2	3
Woolen and cotton mixtures	3	2	1	1	2
Sundries	183	177	131	167	163
Totals	570	569	454	516	549

The main article of import, cotton goods, is gradually playing a less important part in the foreign trade of China, although in 1916 and 1917 it still represents 27 per cent. of the total imports. This gradual decrease from 32 per cent. in 1913, 1914, and 1915 is largely due to the introduction of cotton weaving and spinning in China herself, with the aid of foreign and local capital.

Cigarettes were imported to the extent of 31,000,000 taels in 1917, while only 4,000,000 taels' worth were imported in 1908, an increase of nearly 700 per cent. (500 per cent. of which occurred in 1916 and 1917). This is an indication of increased purchasing power resulting from the rise in value of silver. The fluctuation in rice is due, of course, to the ever changing conditions of the home crop, affected as it is by local conditions; while the increased demand for refined sugar can be attributed largely to the rapidly westernized tastes of the people. Kerosene has not shown a proportionate increase, because of high price and consequent substitution.

CANADA MADE A REMARKABLE RECORD IN THE PRODUCTION OF SHELLS AND OTHER MUNITIONS

Continued from page 27

dustry in Canada. They placed orders for 215,000 deadweight tons of steel ships in all, and undertook the construction of 140,000 tons of wooden steamships. The wooden shipbuilding industry, in which Canada was once a leader, had fallen so low that it was confined to the construction, mainly, of small coasting and fishing ships on the Atlantic and Pacific coasts. In Eastern Canada the Board arranged for the building or expansion of eight yards, and on the Pacific it took over two yards and constructed four more. The impetus thus given to the industry has led to a wonderful expansion on both coasts, and while wooden ships may never come back permanently, they have filled a great need, and will probably continue to do so for some time to come.

When aeroplanes and aeroplane spruce became a crying need of the Allies, this "Handy Man" of the British Government was again ready to step into the breach. They have managed all the business and construction side of the Royal Air Force in Canada, which, when peace came was producing air fighters at the rate of between three and four thousand a year, as well as large numbers of machines to fly and fight in. The Allies wanted spruce, which is the best wood for aeroplanes, and Canada had lots of it. The Board sent one of its experts, Major Austin Taylor, to the Pacific Coast to assist the lumber producers in securing it, and it was not long before this problem was satisfactorily settled.

CANADA'S BANKS AND QUESTION OF LARGER CAPITAL

Some Increases Looked For, But Not a General Policy

DEPOSITORS' POSITION

Argument is Advanced That as Public's Funds are so Much Larger the Proportion of Stock Should be Raised

By H. H. BLACK
Resident Representative of The Financial Post at Montreal

THE problem of increasing the capital stock of the Canadian banks has not yet reached the stage where it will become a subject for the majority of banks to decide, although two or three are likely to take some action in the near future, without, in any way, establishing a precedent, nor providing an answer to the general question.

In England it has become a live debate, taking the particular form as to whether it is not essential for the protection of the interests of the depositors to add substantially to the paid-up capital of the banks. The recent amalgamations, by which some of the keenest competitors came together, have served to project this point, and many of the British banks have taken action in this direction. In a single year the deposits of two banks, now merged, increased 35 per cent.; another nearly 30 per cent., and a third 20 per cent.

In Canada the depositor—if his claim for increased capitalization is a just one—has some weighty evidence to advance. In August, 1914—the first year of the war, and month—the safety deposits in Canadian banks amounted to $659,399,000, and the demand deposits to $338,984,000, a total of $998,383,000. Four years later, the safety deposits had increased by nearly $400,000,000 to $1,014,711,000, and the demand deposits to $554,906,517, a total of $1,569,618,000, and an increase of $571,000,000. Taking into account deposits elsewhere than in Canada, the grand total at that time, and steadily growing, was $1,788,742,000. And the combined capitalization of the banks was practically unchanged.

Herewith for purposes of comparison some of the figures are given year by year.

How Bank Deposits Have Grown

	Safety	Demand	Total
Aug., 1914	$ 659,399,000	$338,984,000	$ 998,383,000
Aug., 1915	692,580,000	334,022,000	1,026,602,000
Dec., 1914	662,830,000	349,909,000	1,012,739,000
Dec., 1915	720,990,000	423,690,000	1,114,680,000
June, 1915	683,761,000	349,057,000	1,032,818,000
June, 1916	767,598,000	428,117,000	1,195,715,000
Aug., 1918	1,014,711,000	554,906,000	1,568,618,000

Not Good Time to Launch Issues

While the average general manager of Canadian banks is disposed to admit the justice of the depositors' plea theoretically, several objections are made to its immediate application. An obvious one is that the present might not be an advantageous period for launching issues of bank stocks. The present paid-up capital of the nineteen Canadian chartered banks is $111,781,466, and if the ratio of increased capitalization to the actual increase in deposits were demanded, the capital stock would have to be raised to about $170,000,000, an increase of nearly $60,000,000. Even a moderate issue, it is declared, might not find a public favorable to its reception, with so many of the 1918 Victory bonds undigested. When it is pointed out that bond dealers are crying out for new issues, as the market is practically bare, it is urged that bank stock, with their factor of a double liability, do not appeal to as wide a circle of investors as an ordinary bond.

Stock Market Not Strong Enough

A further objection that was brought to the attention of THE FINANCIAL POST, was that the stock market was not in a sufficiently strong condition at the present time to guarantee a reasonable price for the new issues. Not only was there the disadvantage that an increase of the capital stock issued might have in lowering the price of the existing stock as well as the new issue, particularly where a bank's net earnings were in any way close to the dividend, but present quotations for bank stocks—even with the recent marked advances—are still below the pre-war prices, with a single exception. One has dropped as much as 37 cents, another 19, and another 25 (all but three are listed). This condition, it is argued, would lessen the yield of the new issues to the banks, as compared with what might be expected six months or a year later, with lower interest rates prevailing, and existing securities proportionately higher.

Money Enough for All

As against any save urgent issues of new stock in the near future, is the fact that money is becoming more plentiful and that there is no indication that the banks, with their present available resources, will not be quite competent to meet the requirements of trade and commerce. For various reasons—including costs of construction—it is not thought that there will be an immediate expansion of industries on any large scale, and it is felt in many quarters that the contraction in many industrial directions will offset in large measure the increased needs in others. Apart from what the banks can supply there is evidence that large sums will be available from private sources, out of the accumulations during the war.

For New Branches Abroad

But there is one demand that is likely to result in several new issues of bank stocks, and that is the movement towards establishing branches in foreign countries. The recent action of two leading banks, the Montreal and Royal, in entering the Paris field, is an instance of what may be expected from these and others in a number of other cases. There is talk for example, of the Banque d' Hochelaga—which now has two of the strongest banking concerns in Paris as its agents, establishing itself there, which would make four Canadian banks on an international footing in this sense. Such an extension requires a large amount of capital, and it is understood several banks, for this reason and not because of others that have been advanced, are contemplating appealing to the public, to subscribe to new issues in the near future.

Edward N. Hurley announces that the U.S. Shipping Board has created permanent world organization to handle Government's trade fleet, with offices at London, Paris and Rome, which will direct other offices at Shanghai, Yokohama, Bombay, Genoa, Buenos Ayres, Valparaiso, Rotterdam, Antwerp and other ports.

Washington hears Director-General McAdoo submitted to President several names from which to choose his successor, two of which are said to be Winthrop M. Daniels, chairman of the I. C. C., and Walker D. Hines, assistant director-general.

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PRICE RECORD OF CANADIAN STOCKS FROM 1910 to 1918

Quotations of Montreal and Toronto Stock Exchanges. Banks' and Loan Companies' Stock Prices Review on Page 31

Banks' and Loan Companies' Stock Prices Review on Page 31

Stock.	1918 High	Date	Low	Date	1917 High	Date	Low	Date	1916 High	Date	Low	Date	1915 High	Date	Low	Date	1914 High	Date	Low	Date	1913 High	Low	1912 High	Low	1911 High	Low	1910 High	Low
Abitibi Power & Pulp, com.	51½	Oct.	48	Apr.	58½	July	48	Nov.	...	....	...	....	...	....	...	....	...	....	...	....	...	...	...	...	...	...	...	...
Asbestos Corp., com.	45	Dec.	15	Jan.	21	Jan.	12	Apr.	24	Dec.	28	Dec.	...	....	...	....	...	....	...	....	...	...	...	...	...	...	...	...
Asbestos Corp., pref.	62¾	Dec.	44¾	May	53	Jan.	42	June	60	Dec.	53	Dec.	...	....	...	....	...	....	...	....	...	...	...	...	...	...	...	...
Ames-Holden, com.	28	Aug.	15	Apr.	23½	Jan.	12	Oct.	35	June	19½	July	23	Nov.	†7⅞	April	16	Feb.	6	Jan.	15	9⅛	...	...	...	...	...	...
Ames-Holden, pref.	72½	Aug.	47	Jan.	61	Jan.	47	Nov.	80½	June	52	July	75	Nov.	55	Jan.	70¼	•Feb.	54	June	74	67½	...	...	...	...	...	...
Barcelona, com.	15½	Nov.	8¾	Jan.	17	Jan.	8	Nov.	17	Aug.	9	Jan.	17⅜	Jan.	†7⅜	Jan.	35⅛	Feb.	15	Dec.	41	25⅛	...	...	...	...	...	...
Bell Telephone	132½	Feb.	128	Jan.	150	Feb.	129	Oct.	152	June	140	Aug.	159	Nov.	140	Jan.	159¼	Feb.	143	July	173	138	176½	145	153	‡140	148	‡141¼
Brazilian, com.	60¼	Nov.	32	Jan.	47¾	Jan.	31¾	Oct.	62⅝	May	43	Dec.	59¾	April	45	Aug.	92	Jan.	53½	July	101	80¼	100½	84	...	...	...	...
Brazilian, pref.	..	....	..	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	99	99	...	...	...	...	...	...
Rio de Janeiro Tram.	..	....	..	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	...	160	112	117⅛	*101⅝	105	86⅞
Sao Paulo	..	....	..	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	...	270	186½	190	148¾	153	135
B. C. Packers, com.	..	....	..	....	...	....	...	....	...	....	...	....	124	Nov.	105	Jan.	143½	Feb.	111	July	160	*120½	161	65	96	‡84	39⅛	25
B. C. Packers, pref.	..	....	..	....	...	....	...	....	147½	Jan.	58	July	...	....	*115	....	...	....	...	....	160	‡123	160½	95	100½	90⅝	...	...
B. C. Fishing & Packing	52½	Aug.	40	Jan.	56	Feb.	35	Oct.	67	April	58	Oct.	65	....	57½	....	...	....	...	....	...	...	...	...	...	...	...	...
Burt, F. N., com.	67	May	63⅛	Dec.	82	Feb.	65	Sept.	88	Dec.	72	Jan.	70	Nov.	70	Nov.	88	Feb.	65	M	‡101	64	117	*95	118¾	96½	96	59
Burt, F. N., pref.	90	Dec.	84¼	Jan.	93½	Mar.	86	Nov.	96	Sept.	86	Dec.	94	Dec.	89	Jan.	100	Jan.	89	July	106	‡89⅞	119½	*101	122¼	108	107⅞	94
Brompton Pulp & Paper	63¼	Oct.	41¾	Jan.	58¼	Mar.	38	Oct.	79	Nov.	43	Dec.	...	....	...	....	...	....	...	....	...	...	38¼	29⅞	...	...	...	...
Calgary Power	..	....	..	....	...	....	...	....	...	....	...	....	...	....	*59	....	59	....	53	....	...	17½	...	...	...	...	25	15
Canada Bread, com.	24½	Dec.	16	Jan.	20	Dec.	13	Nov.	30	Jan.	16½	Dec.	31⅛	April	29	Jan.	33	May	18½	Jan.	34¾	...	81¾	26	31¼	20	90⅝	78
Canada Bread, pref.	83¾	Apr.	83¼	Mar.	86½	Jan.	80	Oct.	90	Jan.	87	May	...	....	*90	....	...	....	...	....	36	25¾	95½	87	92	80	...	...
Canada Cement, com.	69¾	Nov.	56½	Jan.	69⅞	Jan.	52	Nov.	73	June	37¾	Jan.	48½	Nov.	28	Jan.	32	Mar.	28	Jan.	94½	88	...	...	...	...	...	...
Canada Cement, pref.	96	Dec.	90	Feb.	95¾	Jan.	90	Feb.	98	May	86	Sept.	98½	Nov.	89¾	Jan.	93	Jan.	88	June	...	...	...	...	...	...	...	...
Canada Steamships, com.	51	Dec.	39	May	45⅝	Aug.	29¾	Feb.	45	Dec.	14	Jan.	20	Nov.	†6	Mar.	18	....	9⅜	....	...	...	...	...	...	...	65	‡60
Canada Steamships, pref.	80¼	Dec.	72½	Jan.	93¾	Jan.	71	Nov.	95½	Dec.	69¾	Jan.	76	Nov.	59	Mar.	76	....	59	....	...	...	...	...	...	...	104	98
Can. Car and Foundry, com.	38¼	Aug.	18	Jan.	46½	Jan.	17	Oct.	75	Jan.	32	Dec.	120	Aug.	50	April	70	Feb.	48	June	83½	56	92	61	75	‡62	102½	‡90
Can. Car and Foundry, pref.	91	Aug.	49½	Jan.	89	Jan.	49	Oct.	94	May	61¾	Jan.	127	Aug.	98	April	109½	Mar.	98	July	118	104½	116¾	102	109	101¾	119¼	100
Can. Con. Rubber, com.	100	Mar.	98	Dec.	99¾	Sept.	90	Mar.	99	April	34	June	91	Aug.	91	Aug.	91	Jan.	91	Jan.	‡83	80	86¼	84	99¼	‡85	46½	33
Can. Con. Rubber, pref.	98	Sept	97	Feb.	99¼	Nov.	95	Mar.	97	Mar.	91	Mar.	101	Nov.	100	Nov.	97	Jan.	96½	June	98	‡95	100	100	106	100	25	23¼
Can. Converters	50	Sept	43	Mar.	43	July	39	Feb.	46	Nov.	34	Jan.	34	Jan.	34	Jan.	40	Jan.	34	July	50	39	48	30½	45¾	32¾	73	71
Canadian Cottons, com.	70	Aug.	48½	Jan.	56	Jan.	46½	Sept.	65	Oct.	39	Feb.	40	Nov.	24	Jan.	39	Feb.	24	June	45	31	35¾	16¼	24½	‡17	...	...
Canadian Cottons, pref.	77	July	75	July	82	Jan.	75	Sept.	82½	Nov.	75½	Jan.	77	Dec.	71	Jan.	79	Feb.	70½	May	82	*72	78½	69	79	60	...	...
Carriage Factories, com.	17	July	15	July	25	Jan.	9¼	June	44	July	29¾	Feb.	55	Nov.	35	Jan.	92	Jan.	92	Jan.	‡94	‡94	...	...	...	...	...	...
Carriage Factories, pref.	..	....	..	....	...	....	...	....	75	July	60	Dec.	81	Oct.	65	Oct.	114⅝	Feb.	90¼	July	116¾	101	122½	107	116⅝	99	120	112
Can. Fairbanks-Morse, pref.	..	....	..	....	...	....	...	....	...	....	...	....	95	Jan.	90¼	Oct.	...	....	...	....	...	...	60¼	28½	35	30½	112	‡114
Can. Forgings	213	Sept	150	Feb.	205	Jan.	150	Mar.	217	Jan.	170	Feb.	243	Dec.	110	Oct.	45	Mar.	30	April	70	40	98	25	93	88	196⅞	‡177
Can. Forgings, pref.	97	Nov.	90	Sept	84	May	82	April	90	Nov.	85	May	...	....	30	....	90¼	Feb.	78	M	95	86	282⅞	226¾	246⅝	202	112½	‡110
Can. General Electric, com.	106	Dec.	100	Apr.	115½	Jan.	99½	Dec.	126	Nov.	108	April	128	Oct.	110	Nov.	219⅝	Feb.	156	Mar.	266½	204½	115	110	110	‡100	...	...
Can. General Electric, pref.	110	Dec.	100	Apr.	64	Apr.	52½	Feb.	99	Sept.	64½	June	110½	Nov.	78	Feb.	115	Mar.	115	Mar.	125	113	...	...	...	...	...	...
Can. Locomotive, com.	69½	Sept	58	Feb.	91½	July	52½	Feb.	64½	June	51	April	64⅝	Dec.	139⅝	Dec.	...	....	...	....	...	...	61⅛	48	60	35	40¼	29
Can. Locomotive, pref.	90½	Sept	83	Feb.	167½	July	127¾	Apr.	182½	Dec.	163¾	May	90	Oct.	35½	Aug.	102	Feb.	98	May	104	‡97	102½	98	102¾	‡92¼	96½	300
Canadian Pacific Ry.	173	Aug.	137¾	Mar.	136	Mar.	128	Mar.	140	Dec.	124	Nov.	195½	Dec.	98	Jan.	101⅝	Feb.	98	Jan.	104	104	825	670	780	595	207	197¼
Canadian Salt	132	Dec.	126	Mar.	30	Apr.	60	Mar.	98	Feb.	89	Dec.	100	Nov.	98	Sept.	385	Feb.	385	M	380	380	196	189	191	203⅞	410	255
City Dairy, com.	50	Oct.	30	Jan.	3.30	Jan.	3.00	Apr.	100½	Aug.	92	Nov.	102	Jan.	*350	Nov.	850	Jan.	600	Jan.	‡195	165	...	290	...	76¼	92	75¾
City Dairy, pref.	85	May	60	Feb.	4.70	Jan.	3.30	Nov.	350	Aug.	92	Feb.	5.60	Jan.	3.55	Nov.	180	May	189	June	‡191	145	62½	55½	68¾	240	70	40½
Confederation Life	..	....	..	....	165½	Mar.	147	Nov.	5.95	Nov.	3.90	Nov.	185	Aug.	176	Aug.	195	Feb.	100	April	411	50	76¼	...	362	‡77	‡70	...
Coniagas Mines	3.70	Nov.	2.50	July	43	Mar.	21	May	176	Nov.	160	Nov.	1.18	Jan.	*50	Mar.	190	Feb.	108	April	81	50	86	...	...	...	60	...
Consumers' Gas	153	Oct.	144¼	May	128	Jan.	104¾	May	58	Dec.	39½	Nov.	...	....	62	....	73¾	Feb.	55	July	125	110	105	100	73	‡97	...	...
Crown Reserve	32	Dec.	17	May	170	Jan.	50	Mar.	83	Oct.	71	Dec.	73	Dec.	107	April	122½	Feb.	27½	June	59	89¾	165	100	110½	‡50	56	45
Crow's Nest Pass	55	Dec.	50	July	26	Jan.	19	Nov.	128½	Dec.	69	Jan.	237	Jan.	31	Mar.	68¾	Feb.	80	July	102½	130	107¾	65¾	100	75	107	59⅝
Detroit United	..	....	..	....	78	Feb.	65	Oct.	231½	Nov.	160	Sept.	35	Sept.	*85	Feb.	96	Feb.	99½	June	130	103	83¼	54½	111	61	‡110	‡96¼
Dominion Bridge Co.	128	Sept	123	Mar.	26	Mar.	61½	Oct.	122	Nov.	65	Dec.	...	....	*120	....	102½	Jan.	60	June	103	75	105½	100	63⅛	96⅛	67	50¼
Dominion Canners, com.	43	May	20	May	...	....	...	....	65	Oct.	86	Nov.	77	Oct.	64	Jan.	86½	Mar.	100	May	189½	39½	69⅞	106¼	‡126	140	‡105	66
Dominion Canners, pref.	81	Mar.	65	May	...	....	...	....	90	Nov.	74½	Nov.	103	June	101	Jan.	106⅞	Feb.	97	Jan.	112	86	115	106	86	81½	81½	...
Dominion Park	..	....	..	....	90	Jan.	76½	Feb.	105	Oct.	101	Dec.	51	Nov.	19⅞	Oct.	41⅞	Feb.	19⅞	May	102	80	100	100	66	78½	65	...
Dominion Telegraph	..	....	80⅝	Jan.	89	May	99½	Feb.	82	Sept.	93	Jan.	99½	Oct.	71	Aug.	94	Feb.	68	July	74	85½	86	66	45	‡66¼	...	...
Dominion Textile, com.	100½	Dec.	53	Jan.	105	Jan.	50¾	Dec.	82	Aug.	90	June	95	Sept.	55	Jan.	67	Feb.	55	July	85	75	83	63	...	...	...	...
Dominion Textile, pref.	102	Sept	100	Jan.	71½	Jan.	85	Sept.	99	July	37	Dec.	60	Aug.	26	Mar.	28	Jul.	22	Jan.	44	25	25	45	...	...	...	...
Dominion Steel Corporation	65	Aug.	53	Jan.	96⅛	Jan.	87½	Feb.	49	June	37	Dec.	28	Jan.	*75	Mar.	82	Jan.	74	Jan.	82	100¾	75	48½	35	...	...	...
Dominion Coal, pref.	95	June	94¾	Jan.	95	Feb.	40	Aug.	...	....	40	July	...	....	*90	....	97⅞	Jan.	97¾	Jan.	100⅛	100⅝	112¾	83	...	...	...	...
Dominion Iron & Steel, pr	98	Sept	88	Jan.	51	Feb.	...	....	40	May	40	July	...	....	*90	....	...	....	160	Mar.	102	‡151	100¼	93	150	‡129	132	117
Duluth-Superior	42	Jan.	41	Jan.	...	....	45	Mar.	75	Apr.	...	....	...	....	*160	....	160	Feb.	160	Mar.	102	47⅜	161	...	155	95½	...	...
Electrical Development, pre.	..	....	..	....	45	Mar.	100	Apr.	...	....	...	....	...	....	*24	....	45	Feb.	21	July	91½	.25	...	...	...	...	...	...
Goodwin's, Limited, com.	15	Sept	11	Sept	45	Dec.	45	Oct.	160	Mar.	160	Mar.	...	....	70	April	88¼	Feb.	71	June	19.00	14.50	...	...	89	95¾	89	93¼
Goodwins, Limited, pref.	45	Dec.	45	Dec.	100	Oct.	100	Oct.	...	....	...	....	70	Dec.	17.85	Jan.	192	June	1525	May	93½	87	...	...	...	...	...	88¼
Gould Mfg. Co., com.	100	Dec.	100	Aug.	...	....	...	....	...	....	...	....	29.50	Oct.	91	Jan.	95	June	90	June	149	149	95	...	...	...	...	...
Gould Mfg. Co., pref.	100	Aug.	...	....	15	....	14½	May	...	....	...	....	93	Nov.	...	....	...	....	...	....	...	...	...	...	...	‡80	85	75
Halifax Tram	..	....	..	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	...	...	...	...	72	72	66
Hillcrest Collieries, com.	40	Sept	15	May	5.25	June	2.40	Sept	30.25	June	25.25	Nov.	...	....	...	....	...	....	...	....	...	...	...	...	‡80	64	90	88
Hillcrest Collieries, pref.	..	....	..	....	...	....	79	Feb.	91	Oct.	87¾	Jan.	...	....	...	....	...	....	...	....	40	40	...	...	100	‡95	21½	119
Hollinger Gold Mine	6.35	Dec.	4.55	July	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	119¼	119¼	128	100	28	29¾	‡133¾	‡128
Illinois Traction, pref.	80	Jan.	80	Jan.	15.30	Feb.	11.60	Mar.	...	....	...	....	...	....	...	....	...	....	...	....	22⅝	21¾	34	28	125	152	117	121
Imperial Life	..	....	..	....	...	....	...	....	...	....	...	....	...	....	*121	....	...	....	...	....	147⅝	121½	145	28	125	152	117	121
Inter. Petroleum	[illegible]	Dec.	13.00	Dec.	15.30	Feb.	...	....	...	....	...	....	9⅞	....	†9⅞	Aug.	22⅝	Jan.	16⅝	June	‡121	115	122	122	155	150	378	330
Intercolonial Coal	..	....	..	....	...	....	...	....	...	....	...	....	137	May	129	Jan.	135	Jan.	127	May	320	172	410	215	500	160	136	...
Intercolonial Coal, pref.	..	....	..	....	...	....	...	....	136½	Sept.	122	Sept.	122	Aug.	120	Jan.	120	Jan.	120	Jan.	233	140	240	155	...	...	...	...
International Coal & Coke	120	Sept	120	Sept	24	Mar.	10¾	Nov.	129	July	116	Oct.	98	Jan.	15	Aug.	196	Jan.	70	M	‡20	40	...	...	...	...	...	...
Kaministiquia Power	..	....	120½	Jan.	130	Jan.	116	Oct.	125	Sept.	176	Nov.	198	Nov.	160	Nov.	192⅝	Feb.	160	M	60	..	...	...	...	...	...	...
Lake Superior Corporation	169	Dec.	100	May	116	Jan.	40	June	217¾	Nov.	26	Mar.	27	Nov.	90	Aug.	21⅝	Jan.	57¾	July	*75	15	75⅛	71¾	75½	95	76	97
Lake of Woods, com.	110	Dec.	29	Jan.	57	Sept.	20	Nov.	93	Nov.	26	Mar.	198	Aug.	39	Aug.	88	Feb.	85	M	61	68⅞	81	79	77	70	68	78¾
Lake of Woods, pref.	68	Mar.	152	Jan.	195	Jan.	152	April	93	Nov.	176	Dec.	84¾	Nov.	†7	April	71	Jan.	65½	July	35	87⅛	70	66	66	57¼	89½	‡71
La Rose Con. Mines Co.	198	Mar.	63	Jan.	15½	Jan.	8	Mar.	87	Nov.	10	Mar.	14	Aug.	71	Aug.	47½	Feb.	57¾	July	100	63⅝	103	94	104	89½	103¾	40
Laurentide Company	85½	Sept	13½	Jan.	90	Feb.	70¾	Jan.	69¾	Nov.	64½	April	70¼	Aug.	30½	Jan.	101	Feb.	47½	April	102⅞	88⅝	104⅞	94	109	47¾	117⅛	46¼
Lyall Construction, com.	23	Oct.	72½	Jan.	68	Mar.	59	Feb.	122	Oct.	64½	Dec.	70¼	April	30½	Jan.	49⅞	Feb.	32½	April	102½	102⅞	104⅞	106	56½	145⅛	145⅛	117½
Macdonald Co., A., com.	79⅛	Sept	56¼	Jan.	68	Mar.	58	Feb.	122	Dec.	68	Aug.	68	May	88	Aug.	...	....	...	....	...	...	...	...	...	...	‡152½	‡150
Mackay, com.	65¾	Apr.	91	Jan.	103	Feb.	91½	Aug.	108	Oct.	15	Aug.	92	Jan.	46	...	...	....	...	....	108¼	108	154½	112½	152	154½	...	...
Mackay, pref.	140	Nov.	11⅛	Jan.	...	....	...	....	15	....	...	....	...	....	...	....	...	....	...	....	142	116⅝	149½	148⅝	...	...	...	...
Maple Leaf, com.	98½	Nov.	18	Oct.	...	....	...	....	...	....	...	....	...	....	...	....	134¾	Feb.	101	M	...	...	...	...	...	...	...	...
Maple Leaf, pref.	20	Oct.	...	....	...	....	...	....	...	....	...	....	126⅝	Nov.	116½	Jan.	...	....	...	....	87	100	95	85	...	...	...	...
Mexican L. & P., com.	..	....	..	....	...	....	...	....	...	....	...	....	...	....	...	....	40	Jan.	*25	July	72	85	95	91	73¾	73	76	73½
Mexican L. & P., pref.	..	....	..	....	119	Jan.	78½	Nov.	...	....	...	....	27	Sept.	25	....	92	Feb.	82	April	60	65	79	74	...	...	...	...
Mexico N. W. Ry.	..	....	80¼	Jan.	127	Apr.	120	April	40	May	25¼	Jan.	82	April	32	Jan.	...	....	...	....	60	51	66	45½	...	...	...	...
Mexico Tram	90	Mar.	104⅞	Apr.	41	Jan.	30	Oct.	83	Jan.	80	Jan.	...	....	...	....	55	Jan.	50	June	63	61	62	...	...	...	...	...
M., St. P. & S. S. M., com.	109	Nov.	39	Feb.	81	Jan.	80	Jan.	65	Jan.	...	....	51	Nov.	99	Jan.	103	Feb.	97¾	June	105½	‡98	105	...	...	...	150	144
M., St. P. & S. S. M., pref.	68	Nov.	75	Jan.	58⅛	Jan.	49	June	83	Oct.	56	Sept.	100¼	Nov.	211	April	230	Feb.	211	July	240	201	242½	187	150¼	144	...	...
Monarch Knitting, com.	80½	Oct.	...	....	103	Jan.	49	July	...	....	...	....	241½	Nov.	*136	Jan.	140	Feb.	134	July	147½	135	150	‡140	...	...	...	...
Monarch Knitting, pref.	..	....	..	....	83¾	Nov.	330	July	249¾	Nov.	218	Mar.	...	....	220	Jan.	230	Feb.	190	July	198½	120	150	‡115	...	...	...	...
Monterey L. & P., pref.	61	Sept	50	Mar.	82⅞	Jan.	67½	Dec.	136	Dec.	180	Dec.	220	Nov.	*81¼	....	810	Jan.	475	M	960	...	...	...	...	...	...	...
Montreal Cottons, com.	58¾	Sept	99½	Jan.	138	Jan.	115	Sept.	200	July	75	Dec.	...	....	*49½	....	83	Jan.	76	...	...	...	980	...	575	11.30	6.52	11.75
Montreal Cottons, pref.	82	Aug.	68¾	Jan.	181	Jan.	144	May	*81¼	Jan.	...	....	...	....	*95	....	...	....	...	....	74	73	58¾	81⅝	54	31¼	9.50	33⅛
Montreal L., H. & Pr., Cons	120	Aug.	126	Feb.	77	Mar.	73½	Mar.	...	....	...	....	8.70	Nov.	*Dec.	....	5.25	Jan.	...	....	86	71	97¾	102	85½	91¾	40	68⅛
Montreal Power	150	Feb.	72¾	Jan.	...	....	...	....	75	Oct.	75	Oct.	73	Jan.	5.25	Aug.	...	....	...	....	‡125	‡115	130	‡121	136¼	125	142½	118
Montreal Telegraph	76½	Sept	...	....	...	....	6.95	Sept.	9.20	July	6.40	Dec.	107	Jan.	7	Dec.	79	Jan.	39	June	126	123	133	*121	‡27	121	128	109
Montreal Tramways	..	....	8.00	Jan.	9.50	...	...	....	154½	Nov.	93¼	Feb.	120	Nov.	45¾	Jan.	120	Feb.	110	July	119	108	125	‡118	...	...	...	...
Montreal Tram. Deb.	..	....	..	....	128	Jan.	66	Dec.	115	Mar.	127¾	Mar.	144	Nov.	107	Jan.	117	Feb.	107	July	192	‡143	...	...	131	‡127	109	...
National Breweries	9.30	Dec.	63½	Mar.	112	Jan.	137	June	116	Jan.	44½	Jan.	127	Nov.	103	Jan.	172	Feb.	124	...	...	...	173¾	145½	48⅛	45	39½	92¾
National Breweries, pref.	71½	Aug.	100	Jan.	158	Jan.	137	Feb.	45	Jan.	19	July	74½	Nov.	15⅜	Sept.	...	....	...	....	*28	41	51⅝	38⅜	87⅜	‡88	75	51
Nipissing Mines Co.	103	June	140	Jan.	115	Jan.	107	Oct.	91½	Oct.	73	Dec.	123	Nov.	72½	Sept.	32	Mar.	28	July	‡81	‡90	94	51⅛	98	‡37	64	50
Nipissing Mines Co. (cont.)	..	....	..	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	...	...	...	...	...	...	...
Northern Ohio Tract.	205	Dec.	100	Jan.	112	Jan.	18	Mar.	95¾	Oct.	73	Dec.	77	Jan.	120	Nov.	85	Feb.	80	M	70	58	61½	54½	63¾	54¾	60	34½
Nova Scotia Steel, com.	141	May	22½	Jan.	34	Apr.	24	Apr.	93	Jan.	62	Oct.	123	Nov.	28	Oct.	32	Feb.	...	....	49	79½	86¼	85	90	53½	53½	...
Nova Scotia Steel, pref.	75	July	69	July	92	Jan.	69¾	Mar.	93	Jan.	77½	Oct.	131	Nov.	31	Oct.	55½	Feb.	79½	July	79½	50½	84½	75	74¼	84	...	...
Ogilvie Flour, com.	78	July	13	Jan.	88	Apr.	28	Apr.	102½	Jan.	102½	Dec.	85	Nov.	*65	Dec.	84¼	Feb.	45	July	72½	21½	...	...	...	...	...	...
Ogilvie Flour, pref.	34	Sept	77¼	Jan.	78	Apr.	124	June	78	Jan.	28	Jan.	62	Mar.	49	Jan.	71	Feb.	60	July	73	119½	10	66	53	61½	34	77
Ontario Steel Products	36	June	34	Jan.	74	Apr.	28	Mar.	110	Dec.	82	Jan.	83	Jan.	21	Aug.	60	Feb.	10	July	...	101	60	...	92½	126⅞	205½	104½
Ontario Steel Products, pre	77½	June	121	Jan.	124	Apr.	72	Mar.	114	Jan.	124	Feb.	...	....	22	Dec.	...	....	12	Aug.	21½	115	140	160	112	210	173⅞	104¼
Ottawa L., H. and P.	124	Nov.	125	Feb.	65	Apr.	124	Sept.	90	Nov.	90	Nov.	20½	Oct.	*100	Aug.	113	Feb.	...	....	174	103½	207	170	170	106	...	...
Pacific-Burt, com.	34	Oct.	81	Jan.	128	Mar.	124	Sept.	132	Mar.	60½	Dec.	...	....	*60	....	147	Jan.	96	April	115	32	100	112	100	100	...	...
Pacific-Burt, pref.	85¾	Aug.	25¼	Jan.	86	Jan.	115	Nov.	150	Nov.	14	Jan.	103	Jan.	†9⅛	Nov.	106	Feb.	96	Jan.	115	25	117	115	85	85	...	...
Paton Mfg. Co.	37	Nov.	120	Feb.	86	Apr.	124	Nov.	106	Nov.	59	Dec.	99	Nov.	*75	....	118	Feb.	100	July	100	‡30	150	108½	124¾	108¼	111¼	...
Penmans, com.	..	....	15	Feb.	134	Jan.	92	Mar.	114	Dec.	59	Aug.	103	Jan.	96	Dec.	80	Feb.	103	April	149½	‡82	99¾	35½	93½	38	86⅞	50
Penmans, pref.	151	Oct.	117¾	Jan.	127	July	100	Oct.	99	Dec.	50	Dec.	99	Nov.	99	Jan.	142⅝	Feb.	110	M	69	74½	122	86¾	75	48¾	...	...
Porto Rico Rys.	22½	May	92½	Jan.	95	Jan.	115	Oct.	139	Oct.	126¾	Oct.	139½	Nov.	10	Jan.	60¼	Feb.	95	June	103⅞	69	101¾	35	...	...	...	...
Porto Rico Rys., pref.	123	May	90¾	Jan.	85	Jan.	72	Jan.	137	Nov.	99½	Oct.	57	Nov.	69	April	103½	Feb.	92	Jan.	81¾	74½	77	75	...	...	...	...
Quebec Ry. Co.	97	Jan.	105	Jan.	130½	Mar.	40	Mar.	91½	Nov.	87	Dec.	100	Nov.	98¾	Dec.	95	Feb.	95	Jan.	92½	72½	93¼	86	25	...	...	...
Riordon P. & P., com.	..	....	100	Feb.	137¾	Jan.	95	Jan.	112	July	53½	Nov.	95	Dec.	93	Jan.	93	Jan.	92	June	72¼	9	41½	88	...	...	...	...
Riordon P. & P., pref.	90¾	Oct.	99	Jan.	95	Jan.	112	Jan.	24¼	Nov.	93¾	Nov.	110	Sept.	35	Jan.	16¾	Feb.	51	June	97	110	110	26	...	...	...	...
Rogers, com.	91½	Oct.	100	Jan.	112	Feb.	93	Dec.	70	Nov.	87½	Dec.	33	Jan.	97	Jan.	51	Feb.	31	July	28¼	97	110	41½	...	...	...	...
Rogers, pref.	13	Dec.	105	Jan.	95	Jan.	12½	Aug.	88¾	Nov.	34¾	Jan.	81	April	95	Jan.	61	Feb.	31	...	95	48	76	97	88	86	36½	25
Russell Motor, com.	40	Jan.	106	Feb.	95	May	12½	Aug.	107¾	Nov.	84	Dec.	102	May	*81¼	May	...	....	...	....	...	...	...	...	...	...	...	...
Russell Motor, pref.	118½	Sept	87	May	95	Jan.	47½	Aug.	71½	Nov.	82½	Jan.	139½	May	18½	Mar.	...	....	...	....	...	...	...	...	...	...	...	...
Sawyer-Massey, com.	100	Apr.	12⅛	Jan.	59¾	Feb.	47½	Apr.	65	Oct.	88¾	Nov.	35	Jan.	...	....	...	....	...	....	...	...	...	...	...	...	...	...
Sawyer-Massey, pref.	112	Sept	50	Feb.	100½	Jan.	84½	Aug.	...	....	...	....	35	Jan.	...	....	...	....	...	....	...	...	...	...	...	...	...	...
Shawinigan W. and P.	92	Sept	50	Jan.	74½	Jan.	65	Sept.	...	....	...	....	...	....	...	....	...	....	...	....	...	...	...	...	...	...	...	...
Sherwin-Williams, com.	20	Dec.	80½	Jan.	100½	Jan.	74½	May	...	....	...	....	...	....	...	....	...	....	...	....	...	...	...	...	...	...	...	...
Sherwin-Williams, pref.	79½	Dec.	34	Jan.	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	...	...	...	...	...	...	...
Shredded Wheat, com.	74¼	Aug.	84	Feb.	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	91¾	79½	36¾	27	40½	87	...	...
Shredded Wheat, pref.	85	Sept	65	Jan.	...	....	...	....	...	....	...	....	...	....	...	....	87⅝	Feb.	69	July	60	23	34½	52	92	36½	...	...
Spanish River, com.	66	Oct.	73½	July	...	....	...	....	...	....	...	....	...	....	...	....	26	Mar.	15	Jan.	93	79½	54	66	90	62½	...	...
Spanish River, pref.	66	Oct.	73½	July	...	....	...	....	...	....	...	....	91½	Nov.	69	April	26	Mar.	15	Jan.	102	78½	92½	86	‡90	121¾	110¼	129½
Steel Co. of Canada, com.	99½	Aug.	15	July	79	Mar.	70	Mar.	...	....	...	....	18	Nov.	15	Jan.	61	Jan.	61	Jan.	148½	92½	123	60	121¾	145	113⅛	110¼
Steel of Canada, pref.	85	Aug.	15	May	90	May	70	Jan.	16	April	78	Mar.	39½	Nov.	*75	Mar.	61	Jan.	110	June	45	30	141¾	86	147⅛	94¾	129½	‡90
H. Smith Paper, com.	88	Sept	72¼	July	90½	Jan.	58½	Aug.	25	Dec.	42	Nov.	117¼	Nov.	*75	Sept.	144¾	Feb.	110	June	...	62	94¾	59⅞	93⅜	55½	...	...
H. Smith Paper, pref.	77	Sept	15	Aug.	79	Jan.	70	Jan.	88	Nov.	78	Dec.	39½	Nov.	11	Nov.	29	Jan.	29	June	98	...	94¾	59⅞	111	103	146	...
St. Lawrence Flour, com.	72¾	Aug.	15	June	90½	Jan.	70	Oct.	111	Dec.	42	Jan.	117¼	Sept.	10½	Jan.	47	Jan.	29	June	...	...	91⅞	97	93⅝	111	103¾	117
St. Lawrence Flour, pref.	63	Feb.	58	Jan.	...	....	...	....	23½	Jan.	25	Nov.	92	Nov.	10½	Nov.	101	Feb.	90¼	May	109½	101	101	125	181⅝	103¾	125	67
Tooke Bros., com.	27¾	Sept	13½	Jan.	18¼	Aug.	22½	Oct.	85¾	Nov.	23½	Nov.	29⅞	Nov.	10½	Nov.	101	Feb.	90¼	M	120	101	101	97	181⅝	103¾	125	107¼
Tooke Bros., pref.	..	....	..	....	72¾	Sept.	93	Jan.	101	Dec.	93⅝	Dec.	29⅞	Nov.	29	April	...	....	...	....	...	...	‡125	111	93⅝	‡125	120	177½
Toronto Paper Co.	24¼	Dec.	72¾	Aug.	39½	Sept.	95	Jan.	112½	Nov.	85	Dec.	101	Nov.	*75	....	108½	Jan.	93¾	M	...	...	...	...	159⅝	130	255	200
Toronto Ry.	82¼	Sept	39½	June	96	Jan.	77	Feb.	118½	Nov.	94	Dec.	...	....	*94	....	...	....	...	....	...	...	...	...	269	180	185	...
Trethewey Mine	65½	Jan.	50	Dec.	50	Jan.	77	Feb.	77	Feb.	...	....	...	....	*102	....	...	....	...	....	...	...	...	...	...	...	...	...
Tri-City, pref.	55	Dec.	...	....	...	....	...	....	...	....	...	....	...	....	*100	....	210½	Jan.	180	Feb.	218	...	187	...	130	210	...	...
Tuckett Tobacco, com.	..	....	..	....	...	....	...	....	...	....	110	Aug.	90	June	186½	Oct.	18	April	18	June	...	...	70¼	55	84	80	...	...
Tuckett Tobacco, pref.	..	....	..	....	...	....	...	....	36	....	...	....	...	....	...	....	...	....	...	....	...	...	‡90	160	80	...	...	...
Twin City, com.	..	....	..	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	...	...	...	...	...	...	...
Wayagamack	..	....	..	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	...	...	...	...	...	...	...
Western Canada Flour	..	....	..	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	...	...	...	...	...	...	...
West India Electric	..	....	..	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	...	...	...	...	...	...	...
West Kootenay	..	....	..	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	...	...	...	...	...	...	...
West Kootenay, pref.	..	....	..	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	...	...	...	...	...	...	...
Windsor Hotel	48	Jan.	18	Jan.	...	....	31	....	36	Aug.	110	June	90	Oct.	45	Oct.	20	April	18	June	18	...	...	...	...	...	...	...
Winnipeg Electric	61	Nov.	21	Apr.	21	Jan.	...	....	...	....	...	....	...	....	...	....	*90	....	...	....	...	...	...	...	...	...	...	...
Wabasso Cotton	61	Nov.	87¼	Nov.	81	Nov.	44	Nov.	44	Aug.	65	Dec.	33	Nov.	...	....	...	....	...	....	...	...	...	...	...	...	...	...
Woods Manufacturing, com.	65	Oct.	83½	Nov.	86	Nov.	80	April	101	June	84	...	...	....	...	....	...	....	...	....	...	...	...	...	...	...	...	...
Woods Manufacturing, pref.	85	Aug.	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	...	...	...	...	...	...	...

*Indicates the minimum quotation where no figures of transactions are available. ‡Indicates stocks which were under 15 points when the markets closed, and, therefor, free of the minimum.

Range of Prices of Bank Stocks for the Past Ten Years on the Montreal and Toronto Stock Exchanges

Name.	1918 High	Date	Low	Date	1917. High	Date	Low	Date	1916 High	Date	Low	Date	1915. High	Date	Low	Date	1914. High	Date	Low	Date	1913 High	Low	1912. High	Low	1911 High	Low	1910 High	Date	Low	1909 High	Low
Brit. N. America.	165	Oct.	112	Feb.	112	Jan.	112	Jan.	112	Nov.	110	Sept	145	Feb.	145	Feb.	149	Feb.	145	Jan.	157	145	160	145	153	145	151	Apl.	145	155	148¼
Commerce	202	Dec.	183¼	Jan.	188	Feb.	182½	Dec.	203	Jan.	183	Oct.	205	Apl.	203	Jan.	218	Jan.	199½	Jan.	224	200	230⅛	214¼	237	202	215½	Apl.	196	†201	171½
Dominion	209½	Dec.	199	Jan.	212⅛	Jan.	202	Nov.	220	Sept.	204	June	229½	Jan.	227	Jan.	233	Jan.	218	Jan.	242	212½	237½	223	247	222	249½	Jan.	231½	248	236
Hamilton	188⅛	Dec.	184	Feb.	192	Mar.	184	Oct.	197	June	146¾	June	208	Aug.	201	Jan.	207	Feb.	198	June	212	199	208	199	212⅛	200	208	Feb.	196	206	199
Hochelaga	143	Dec.	140	Jan.	145	Jan.	140	Oct.	149	Jan.	145	July	150	Jan.	149	Jan.	155	Feb.	149	Jan.	170	150	180½	163	180	155	157	Nov.	142	148	140
Imperial	202½	Dec.	185	Jan.	200½	Jan.	185	Oct.	203	July	180	Jan.	214	Jan.	210	Jan.	218	July	210	Jan.	227	207	233	218	235	220	240	Mar.	219	234¼	224¼
Merchants	180	Dec.	167	Jan.	170	Jan.	167	July	180	April	150	Oct.	180	Jan.	180	Jan.	191	Feb.	177	July	201	180¾	200½	189¾	201¼	184	187¾	Aug.	171	170	160
Molsons	179⅞	Mar.	179⅜	May	186	May	179½	Jan.	195	Dec.	182	Dec.	202	Jan.	200	Jan.	205	July	194¼	Jan.	203	185	212½	201½	211	203¼	215	Apl.	204	†211	199¾
Montreal	218½	Dec.	210	Jan.	234	Jan.	210	Oct.	240½	June	219	Oct.	240	Apl.	234	Jan.	249	Feb.	229⅛	Jan.	246	224	256	241	270	†236	259½	Jan.	242	†254½	245
Nationale	148	Aug.	148	Aug	149	July	134	Feb.	134	Dec.	134	Dec.	132¾	Aug.	132¾	Aug.	133¼	Feb.	131	May	149	183	142	123½	125¼	121¼	...	....	..	..	..
Nova Scotia	251½	Dec.	248	Jan.	257½	Mar.	248½	Oct.	261	Jan.	254	Oct.	265	Jan.	261	Jan.	265	June	257	Jan.	266	251	278½	259	280	*269	285¼	Apl.	270	285	†276
Ottawa	206	Dec.	201	Jun	202	Mar.	200	Feb.	204	Nov.	202	Nov.	207	Apl.	207	Apl.	208	April	201	Jan.	210¼	202	212	207¾	210	208	212½	Nov.	200	213	205
Royal	215	Dec.	205	Jan.	214	Feb.	208	Oct.	221¼	Jan.	210	Sept	223	Jan.	221¼	Feb.	228	Feb.	218	June	228	213	234	220	242	*229	245	Oct.	224½	*233	‡212
Standard	208⅜	Dec.	200	Jan.	215	Jan.	200	Oct.	221	Sept.	221¼	Oct.	220	Apl.	215	Jan.	223½	Mar.	208½	Jan.	228	207	239	218	232	217½	232½	Jan.	219	241	‡224
Toronto	193½	Dec.	184¼	Jan	192	Jan.	187½	Sept.	215½	April	190	Nov.	211	Jan.	207	Jan.	215	Jan.	203	Jan.	212	202	214½	204½	220	201¼	220¼	Jan.	209½	227	215
Union	162	July	137	Jan.	142	July	135	Oct.	140	Jan.	132	Aug.	140½	Jan.	140	Jan.	147½	April	138⅞	Jan.	154½	136	174	149	151	146	150	Dec.	139¾	140	130

*Minimum in all cases.

Range of Prices of Loan Company Stocks on the Montreal and Toronto Stock Exchanges

Name.	1918 High	Date	Low	Date	1917. High	Date	Low	Date	1916. High	Date	Low	Date	1915. High	Date	*Low	Date	1914. High	Date	Low	Date	1913 High	Low	1912. High	Low	1911 High	Low	1910 High	Date	Low	1909 High	Low
Canada Landed	148¾	Dec.	140	Nov.	160	Jan.	150	Dec.	163	Sept.	157¼	Jan.	..	....	157½	....	170	Feb.	155	Jan.	170	152	169	154	*171	*151	161	Mar.	150	160	135
Canada Permanent	169½	Nov.	162½	Nov.	173	Mar.	162½	Dec.	183	Jan.	168⅝	Dec.	..	....	183	....	192½	Mar.	183⅞	Jan.	[illegible]	180	202½	174	176¼	*159¼	170⅛	Apl.	158½	163¾	140
Central Canada	...	....	...	....	...	...	...	...	...	....	...	....	..	....	190	....	...	....	...	....	195	190	..	..	*197½	*197½	70¼	June	63⅛	71	63
Col. Inv. & Loan, prf	69	Nov.	63	Nov.	77	Jan.	63	Oct.	76	Dec.	70	July	..	....	78	....	83	Jan.	78	May	98	79	80¼	73½	76	66	185	June	174	180	158
Dominion Savings	76	Apr.	75	Mar.	...	...	...	...	80	Mar.	80	Mar.	41	....	78½	....	78	Jan.	77	Jan.	79	76½	78	75	72½	72	73	May	71½	72	70½
Great West Perm.	...	....	...	....	...	...	...	...	...	....	...	....	**89½	....	..	....	128	Mar.	126	Feb.	130¼	128½	135	125	119⅜	119⅜	129	Sept.	112	113	113
Hamilton Provident	133	Nov.	121	Feb.	142	Mar.	137	Aug.	140	Mar.	138	Sept	140	....	134	....	140	May	137	April	136	132	135	132½	133	130	130	Mar.	128⅛	125	118
Huron & Erie	204	May	202	May	211	June	205	Oct.	214	June	209	Jan.	207	....	205	....	212	July	210	Mar.	219	209	206	204	203	200	202⅜	May	200	198	181
Ld. Bank. & L.	141	May	140	Nov.	143	Oct.	143	Oct.	145	Sept.	144	June	149	....	140	....	146	June	143	Mar.	135	130	140	139	138	134	133	Nov.	†130	127	122
Lon. & Canadian	126½	Apr.	126½	Apr.	132	Feb.	128½	Nov.	135	Nov.	132	Jan.	131	....	130	....	138	April	125	Jan.	123	113½	130	116	120⅞	107½	112	Jan.	†107	†115	107
Montreal L. & Mortg	152	Dec.	...	....	165	Jan.	162½	June	175	July	160	May	..	....	165	....	175	Jan.	175	Jan.	190	175	167½	140	157	138	155	Mar.	†145	141½	132
National Trust	...	....	...	....	212	May	207½	Oct.	210	Nov.	210	Nov.	..	....	218	....	230	April	225	Jan.	225	220	214	205¼	206	204	204	Dec.	192¾	200	170
Ontario L. & Deb.	...	....	...	....	175	Jan.	175	Jan.	175	Nov.	169	Jan.	169	....	..	....	173	April	173	April	172	166½	165	164	165	156	155	Nov.	†148	†142	138½
Real Estate	...	....	...	....	...	...	...	...	...	....	...	....	..	....	..	....	103	Mar.	102	Jan.	107¼	100	105	95	101	97¾	101	Dec.	100½	†103	93
Toronto Gen. Trust.	204	Nov.	199¾	Feb.	215	Feb.	200	Nov.	212	Nov.	205½	Mar.	208	....	..	....	204	Mar.	189	Jan.	200	183	203½	178	180	171	140	Feb.	167½	165	150
Toronto Mortgage	134	Nov.	...	....	140	Jan.	136	Aug.	140	Dec.	134	Feb.	..	....	134	....	140	April	137	June	155	134	138¼	131½	140	129¾	175	Oct.	†130	130	114
Toronto Savings	...	....	...	....	...	...	...	...	...	....	...	....	..	....	..	....	...	....	...	....	..	....	..	..	185	185					
Union Trust Co.	...	....	...	....	...	...	...	...	...	....	...	....	..	....	..	....	...	....	...	....	178	178	180	180	175	170					

**Last sales. *Minimum in all cases.

QUEBEC—The Province of Prosperity

THRIFT is one of the foremost virtues of the people of Quebec; and thrift signifies industry and character—two national assets having a value that cannot be measured in coin, but may explain the distinguished place this province holds in the annals of Canada's prosperity and sound development.

The St. Lawrence and Montreal

In Quebec the restlessness of the Anglo-Saxon is absent. The home-love and the family-love of the French-Canadian conservatism, staunchness, integrity are revealed in the people's work and life. Quebec is the principal owner of the great St. Lawrence River — Nature's magnificent watercourse for Canada's grain and beef and timber, and all else, on their way to Great Britain, Europe and other lands. Montreal is destined always to be Canada's great commercial centre; the location of the head offices of a number of the largest of Canada's financial institutions; the headquarters of rail and water shipping interests; banking, insurance, mercantile and varied other institutions.

The St. Lawrence permits ocean traffic to come up stream to the foot of the Lachine Rapids. To the head of Lake Superior the St. Lawrence canals overcome a fall of 551 feet. The tonnage over the St. Lawrence canals increased between 1901 and 1914 from 1,208,206 tons to 4,391,493 tons. In 1916-17 it was 3,391,144 tons. Montreal's port tonnage has almost doubled in ten years.

Quebec's Vast Resources

Quebec's native wealth is immense—almost beyond one's power of conception or calculation. Quebec has agricultural wealth; riches in minerals and forest products; ability to produce cattle and horses, sheep, swine and poultry; immensity of waterpower for industrial requirements; and the ability of her children to perform with celerity and skill the work of factories.

Quebec a Big Province

Look at Quebec's far-stretching acres—455,000,000 of them—the most spacious of all Canada's provinces. Of this only 15,000,000 acres or so—about 3.5%—are under cultivation. Yet from this relatively small acreage much wealth is derived, as witness these figures, comparatively presented:—

	1917	1916	1915
Field crops	$153,194,000	$102,937,000	$104,683,000
Dairy products	28,313,658	22,875,337	17,303,000

The Government and Financial Position of the Province of Quebec

Lieutenant-Governor The Right Honourable Sir Charles Fitzpatrick, P.C., G.C.M.G., Etc.

MEMBERS OF CABINET

Premier and Attorney-General
Hon. Sir Lomer Gouin
Minister of Lands and Forests
Hon. Louis Jules Allard
Provincial Treasurer
Hon. Walter G. Mitchell
Provincial Secretary and Registrar
Hon. Jeremie L. Decarie
Minister of Agriculture
Hon. Joseph Edouard Caron
Minister of Colonization, Mines and Fisheries
Hon. Honore Mercier
Minister of Public Works and Labor
Hon. Louis Alex. Taschereau
Minister of Roads
Hon. Joseph Adolphe Tessier
Minister of Municipal Affairs
Hon. W. G. Mitchell
Ministers Without Portfolio
Hon. J. C. Kaine
Hon. N. Perodeau

FINANCIAL STATEMENT

Assessed value of taxable real estate, December 31, 1916 (last date at which summarized figures are available)		$1,285,516,644
Total funded debt, 30th June, 1917		$ 30,462,996
Less—Sinking Fund	$1,645,058	
Other Assets (net)	5,312,922	
		6,957,980
		$ 32,505,016

The net debt is less than 2.53% of the assessed (Real Estate) valuation.

Population census of 1911	2,003,232
Population, 1917, as estimated from official reports of local authorities	2,380,042

Area of Province 450,337,761 acres, or 703,653 square miles.

Annual value field crops	$153,194,000
" " dairy products	28,318,658
" " lumber, pulp, etc.	35,585,196
" " minerals	16,261,480
" " manufactures	387,900,585
	$617,255,114

The Province of Quebec includes the Cities of Montreal and Quebec, the former the principal commercial city of Canada. The foreign commerce of the Province in 1917 amounted to $821,136,374.

The Province of Quebec contains about 130,000,000 acres of timber lands, more than any other Province in the Dominion.

Its population, based on the last census figures, is 27.8% of the total population of Canada.

The Province has the power to levy a direct general tax to meet principal and interest on its debt, but has never found it necessary to do so.

The net debt per capita has decreased from $15.63 in 1901, to $13.65 at the present time.

Quebec as a Dairy Province

Dairying in Quebec is highly developed. Much land is devoted to pasturage, and the growing of fodder crops. The last available figures give a total of 1,984 cheese and butter factories with an output for the year of

	Lbs.	Value.
Butter, 1917	34,394,162	$13,689,310
Cheese, 1917	67,835,017	14,172,273

Forest Products of Quebec

Quebec surpasses every other province of the Dominion in the matter of her forest areas. These total 130,000,000 acres, or about 30% of the province's total acreage, and by comparison with the value of the "cut" of other provinces, Quebec's figures are about one-third of the whole. The value of Quebec's forests is reckoned to be:

White and red pine	$200,000,000
Spruce and balsam	250,000,000
Pulpwood	100,000,000
Hardwood	25,000,000
Total	$575,000,000

As a producer of pulpwood, and of manufactured pulp, Quebec stands in the forefront of Canadian provinces. In 1917, 23 out of 49 Canadian companies engaged in the manufacture of pulp were located in Quebec, and the consumption of pulpwood amounted to 1,106,891 cords, or about 43% of Canada's total consumption.

Quebec's Mineral Wealth

In 1917 the value of minerals extracted from the earth was $16,266,480. The yearly figures for a number of years show how mining is developing. They are:—

1902	$2,985,463	1914	$11,722,783
1905	3,750,300	1915	12,159,436
1910	7,323,281	1916	13,287,024
1913	13,119,811	1917	16,266,480

Quebec's Asbestos Deposits

For one highly useful mineral Quebec is the main source of the world's supply—asbestos. During 1917 the value of the output of her asbestos mines was $7,240,697, or an output for each working day of $27,735.

Quebec's Water-Powers

Quebec possesses water-power in abundance, and water-power soon or late spells industry. The estimated power available from water, according to the last figure, is given as 6,000,000 horse-power.

Quebec's Manufactures

According to the last census report there were 6,584 manufacturing plants in Quebec. The capital invested was $326,946,000. The number of employees was 158,207 and their wages and salaries amounted to over $69,000,000. Raw material used cost $184,274,000, value of the output $351,000,000. Representing between $10,000,000 and $26,000,000 output were eleven industries, as follows:—log products, boots and shoes, cottons, butter and cheese, railway cars, men's clothes, tobacco products, railway cars building, grist mills, paper and lumber products.

Quebec's Commerce

Quebec has developed considerable trade outside of the province and this explains a heavy import and export trade. The imports in 1870 were $32,833,000 and exports $37,807,000. In 1900 they were $79,508,000 and $76,791,000 respectively; in 1914 they were $185,320,000 and $177,556,000, and in 1917 they were $270,024,440 and $551,111,934 respectively. During the year 1916-17 Montreal's proportion of the province's total trade with the outside was 82.2 per cent. of the imports and 69.7 per cent. of the exports.

Quebec's Railways

Of the 4,442 miles of railroads in the province on the 30th of June, 1917, there were but 575 miles in existence on the 1st of July, 1867, the date of Confederation. On the 1917 basis, 4,442 miles, there were 1.86 miles per 1,000 of population and 13.1 miles to every 1,000 square miles of territory, excluding New Quebec or Ungava.

The Pulp and Paper Industry In the Readjustment Period

NO Canadian industry will play a more important part in the readjustment period now upon us than that devoted to the production of pulp and paper.

NO other industry, outside of the manufacture of explosives, has played a more important part, during the war period, in keeping Canadian interests to the fore.

THE fact that it is one of our basic industries, owing its existence to our possession of immense forests and inexhaustible water-powers, gives it a value and importance which can hardly be overstated, while the additional fact that its chief products are in almost unlimited demand, both in our own and in the markets of foreign lands, makes its continued development a matter of national concern.

THERE are now more than eighty incorporated companies and other concerns engaged in operating pulp and paper mills in Canada. They have an aggregate invested capital of about $200,000,000. No single industry, other than hydro-electric power development, employs a larger amount of capital. The value of its products now reaches a total of more than $100,000,000 a year, the greater proportion of which are marketed abroad.

THE RAPID GROWTH of our export trade in pulp and paper products is one of the outstanding facts of Canada's recent national development. Our exports of these products for the fiscal year ending March 31, 1918, inclusive of unmanufactured pulpwood, reached a total value of $71,755,325, exceeding in value that of our total exports of manufactured products five years earlier. The extent of this remarkable development is best illustrated by the following figures, compiled from the returns of the Department of Trade and Commerce:

EXPORTS OF PAPER, PULP AND PULP WOOD

Year ending March 31st	Paper $	Chemical Pulp $	Mech. Pulp $	Pulp Wood $	Total $
1912	3,867,119	1,587,535	3,506,700	5,697,901	14,659,325
1913	6,324,810	2,100,842	3,408,702	6,806,445	17,640,781
1914	12,675,036	2,923,083	3,441,741	7,388,770	26,428,630
1915	15,478,388	4,806,622	4,459,539	6,817,311	31,561,810
1916	20,021,270	6,801,011	3,575,537	5,743,847	36,141,665
1917	26,072,646	14,032,920	6,371,133	6,448,189	52,924,888
1918	37,742,697	19,185,371	6,487,979	8,339,278	71,755,325
Incr. 1918 over 1917..	11,670,051	5,152,451	116,746	1,891,089	18,830,437

A MOST important feature of these exports is that more than 90% of them were sold in the United States, our leading creditor in the world's markets, where they were also sold for cash, thereby performing a valuable function in offsetting to a large extent our enormous imports from that country. It is calculated that our pulp and paper exports to the United States in 1918 created exchange at the rate of about $205,000 for every working day in the year, offsetting to that amount Canadian obligations in the way of interest payments and payments that had to be met for raw material imported.

OUR PULP AND PAPER PRODUCTS also find a market in Great Britain, France, Australia, South Africa, India, Japan, Mexico, Cuba and South America. The overseas demand for pulp and printing paper is very large and is only restricted by the limitations of available ocean tonnage.

THE INDUSTRY also supports numerous collateral industries, such as the manufacture of machinery, wires, felts and other articles used in the production of paper, as well as in the development of our water-powers.

NEWSPRINT PAPER, used in the production of newspapers, and mechanical and chemical pulp are the industries leading products, although there are many other products of more or less importance. For the products mentioned the demand is practically unlimited and is likely to so continue for an indefinite period. The use of paper and paper products keeps pace with the growth of population and the spread of intelligence. Not until a substitute for wood fibre in the manufacture of paper is discovered, if it ever should be, will there be a lessening of the demand for pulp and paper products as at present produced. *With proper encouragement there is no reason why Canada should not soon lead the world in supplying the demand for pulp and paper.*

THE RAPID GROWTH of the industry and its unprecedented rise to prominence in the trade and commerce of the Dominion have outstripped popular knowledge and appreciation of its magnitude and importance. Perhaps because of this fact, unwise restrictions have been placed upon the industry, as the result of political interference, which have had the effect of seriously retarding its growth. When these restrictions, which were imposed as a war measure, are definitely removed—as they should be now that the war is at an end—the industry will probably see a new development and growth in the near future not unlike that which it enjoyed in the first part of the present decade.

THE PULP AND PAPER ASSOCIATION OF CANADA has had prepared a booklet dealing with the industry which it will be glad to send to any one on request.

THE CANADIAN PULP & PAPER ASSOCIATION

137 McGill Street, Montreal

ACTIVITY IN RENTING WORKINGMEN'S HOUSES AND IN DEALING IN FARM LANDS DISTINGUISHES REALTY MARKET

Not Much Come-back to Old-time Real Estate Business

VALUES STILL LOW

Slight Improvement Noted in Western Cities Where a Few Vacant Lots Are Being Picked up at Bargain Prices

THERE are at least two developments during the war period which may be said to have distinguished the real estate situation. One has been the housing shortage in the industrial centres of the country, which has its effect principally on rentals; the other has been the transfer of farm lands at steadily rising figures. Business in vacant land such as distinguished the pre-war period has been practically negligible, while only recently has the buying and selling of houses in urban centres recovered anything of its former importance. At the back of these developments has been the rush of population into the industrial towns and cities in search of work in munition and other plants engaged in war production and the demand for farm lands from which to take those crops of foodstuffs that have been so profitable of recent years. With building pretty much at a standstill the general situation as regards housing has been rendered steadily more unfavorable, until Governments have been forced to take steps to relieve the pressure.

Halifax's Peculiar Position

In some cities special conditions have had a still more disturbing effect on the real estate situation. Halifax, N.S., is a case in point. Here the destruction of a large area of the city by the explosion of December 6, 1917, has created a state of affairs peculiar to this one centre of population. The catastrophe at a single stroke produced a serious shortage of housing, while at the same time it led to a large influx of artisans and others to rebuild and repair properties that had been destroyed or damaged. These developments were superimposed on the war-time activities of a busy seaport which in themselves were sufficient to occasion a shortage of dwellings. As a net result the demand for residential properties has been in excess of the supply and rents went up sharply following the explosion. They are now on a higher level than before the war.

House Shortage Develops

In practically every industrial centre throughout the Maritime Provinces, Quebec and Ontario, the one outstanding condition has been the house shortage, with its attendant rise in rents. In every case the development has been pretty nearly identical. There was first the slump in rents following the declaration of war, when business was temporarily paralyzed and many people doubled up their housekeeping arrangements in order to save money. This was followed by the gradual expansion of war industries, calling for increasing numbers of workmen. As wages rose and more prosperous conditions were evolved, vacant houses became occupied and presently the demand began to exceed the supply. Then rents rose and the housing problem, of which so much has been heard during the past year came into being. Its seriousness has been much aggravated by the absence of building due to the high cost of construction.

The urban centres of Western Canada have been coming back to the extent at least of seeing their vacant buildings and houses reoccupied. Take for example cities like Moose Jaw and Regina, which are typical of the Middle West. In the former, practically every desirable business location is now occupied, with rents firm; this in marked contrast to 1914 and 1915, when first-class offices could be had for a mere song. As for houses, practically every modern house in a reasonable state of repair is occupied at a good rental. The demand is particularly for smaller houses and up-to-date apartments, the latter renting for $75 a month on five-year leases.

Conditions in Regina

In Regina there are very few vacant houses or business properties. Practically everything is filled and there is a big demand for residences. In fact, in the opinion of one authority, two hundred or more houses could be rented in Regina at once if they were available. While a few houses have been built, they have not been sufficient to meet the demand. Business properties are in fairly good supply but there is a big demand for warehouse space. There has indeed been a much larger demand for both residence and business property than there was prior to the outbreak of war.

MORTGAGE LOANS

The supply of mortgage money is limited. Most of the companies who obtained their supplies of money from Scotland have been remitting it to the Old Country ever since the war started and the high prices obtained for all farm products has enabled many of the Western farmers to repay their loans in full. The unfortunate crop conditions in Saskatchewan this year have created a demand from the districts which suffered, but there will in all probability be sufficient repayment from farmers, who have crops, to take care of this demand. A new supply of money, however, will have to be forthcoming for the development of the cities.

G. M. BLACK,
Black & Armstrong, Winnipeg.

Other Western cities are in pretty much the same condition. From Winnipeg comes the report that the rental situation there is excellent, there being a very narrow margin between supply and demand, more particularly with respect to houses and suites. There is a wonderful improvement over the condition existing in 1914 and 1915, and rentals are steadily working back to normal. The outlook, in the opinion of competent authorities, is declared to be excellent. Even in Brandon, a city less influenced by industrial conditions, it is stated that all desirable business premises are occupied and a remodelled bank building has been rapidly leased for stores and offices.

Improvement is also to be noted in Edmonton. In the course of the last twelve months the rental situation has considerably improved, and, with the demand for modern houses there is a steady increase in rental values. There is also at this point an improvement in the rental value of business premises but it is not so marked as in the case of house property.

At the Head of the Lakes

At the head of the lakes, while conditions are much better than they were in the early days of the war, there has not been quite the same pronounced come-back as in the prairie cities. In Port Arthur there exists a sharp demand for small modern houses, but difficulty is experienced in renting dwellings containing more than seven rooms. Previous to the war a large number of workingmen's houses were erected adjacent to the industrial section in the north end of the city and also midway between Port Arthur and Fort William. In 1913 and 1914 practically all these houses were occupied, but immediately after the declaration of war their occupants moved into the city, and to-day very few of these dwellings are occupied.

During the first two years of war rents dropped considerably, but during 1917 there was some advance and an effort made by the real estate board to obtain a general increase throughout the city of 25 per cent., but even this increase is not sufficient to make renting a paying proposition owing to the high cost of upkeep. With regard to business properties, practically all the stores in the modern city blocks are occupied, though stores in several of the semi-modern blocks are vacant. Rents have decreased considerably.

In Fort William houses are pretty well occupied and the renting situation is better than it has been for five years. Indeed, one authority declares that the house situation is bad, there being no good rental houses available for the people, nor is there much prospect of relief until a drop in the cost of house building occurs. Business properties in the centre of the city are all occupied, but on some of the secondary streets there are a number vacant.

Vancouver Rents Low

While there is great prosperity on the Pacific Coast, due to the expansion of the shipbuilding and other industries, the real estate situation has not enjoyed any great improvement. It is still far from being what it was prior to the war. In Vancouver, for instance, houses that rented for $100 a month in 1912 are hard to fill at $50 a month to-day. Apartments that brought $50, now bring only $40. Taking a general survey of the situation, apartment rentals are 25% lower than in 1912; house rentals are between 15 and 20 per cent. lower, and business rentals are down 50 per cent.

A prominent real estate man in Vancouver states that he considers values of to-day very reasonable though lower than in 1912. To-day prices are near real values, some being below, few being high as a result. The real estate situation is beginning to show more signs of action. On one of the suburban commercial streets where two years ago he counted twenty-two vacant stores, there were recently but seven. The city is filling up with a new population and new business. He spoke of a limited activity in the sale of small business blocks, and an interesting number of serious enquiries regarding business and residential property.

He did not think there were many real estate investments at present that were paying more than 4 per cent. Business rents were much lower than they were six years ago, and house and apartment rents were also considerably below the 1912 figures. Regarding sales, he was of the opinion that actual snaps could find ready market at any time now, and that most of the residential sales of the present were in the Kitsilano and Fairview districts. He said some residential construction was under way on Shaughnessy Heights.

Very Little Buying

The large number of people who have been at one time or another interested in Western real estate, can scarcely find much encouragement in present conditions, though the outlook is decidedly brighter than it was. The almost complete absence of building has prevented any great demand for vacant land, and of course, speculative buying is practically at an end. Referring again to Moose Jaw, as a typical prairie city, it may be noted that during 1918 a considerable number of people have purchased building sites for future building, while a large number of lots previously sold for taxes have been redeemed. Prices are still low, but the market is stronger and a general recovery is expected in due season.

The acute rental situation created a brisk market for houses for sale, with sharp advances in prices. The demand was largely for houses of a value up to $3,500, but a good many higher-priced houses were also sold. A conservative estimate would be 200 to 250 houses sold this year, 60 of which went to farmers, 35 to 40 to other new residents and the balance to old residents. There has been little turnover in business properties during the war period. Most business properties were unencumbered or not too heavily mortgaged, hence owners were able to hold firm and the recovery of business since 1915 has made improved business property a more profitable investment.

Some Houses Being Bought

The neighboring city of Regina exhibits similar conditions. After the war started there was a considerable drop in the selling prices of all real estate with the exception of farm lands. In fact there were practically no sales of city property for the first two years. During the past year there has been considerable activity in the sale of houses and vacant property, the price for vacant land is about half what it was before the war started. The market to-day is fairly steady. A good many people seem anxious to buy property if they can secure it at fairly low prices. There has been about a million dollars' worth of building done this year and there is considerable in sight providing that the necessary money can be secured from the loan companies, and if labor will be available.

In Edmonton there is reported to be no demand for vacant property and it is problematical as to when conditions will improve. Very few sales have been recorded of business buildings in the last few years but quite a few sales of house property have gone through. In nearly all cases the terms of sale have been exceptionally reasonable.

In Port Arthur and Fort William the market is stagnant. There have been very few bona fide sales of real estate during the past four years. At a recent tax sale in Port Arthur practically all the property reverted to the city. Only a few houses have changed hands, and it is difficult to find a buyer for either vacant or improved property. Practically the same conditions prevail in Fort William, though it is stated that the situation is considerably improved over what it was two years ago.

The bright spot in the Western situation is found in the department of farm lands. With the bumper crop of 1915 the farmer was put on his feet, and subsequent crops, sold at high prices, established him all the more firmly. His prosperity produced a good demand for farm lands. Retired farmers returned to the land; farmers' sons took up land for themselves, established farmers added to their property, and many United States farmers were attracted over the border.

This year the farm land business has been particularly brisk. In many districts good listings have been scarce and high prices have prevailed, though the latter are still very low as compared with the Middle Western States. There has been a large turnover in land and no depreciation in prices following the armistice—in fact quite the reverse. The probabilities are that there will be a very keen demand for the next few years and prices will go higher. Prices have ranged from $30 to $60 per acre for improved land, while in the Moose Jaw district sales have been recorded as high as $80 an acre.

Imperial Bank OF CANADA

ESTABLISHED 1875

CAPITAL PAID UP $7,000,000 RESERVE FUND $7,000,000

Peleg Howland, President. E. Hay, General Manager.

HEAD OFFICE - TORONTO

ASSETS

	Nov., 1917	Nov., 1918
Cash and Balances due from other Banks	$22,410,689.80	$ 23,427,279.74
Imperial Government and Dominion of Canada Securities	21,261,346.22	28,736,803.65
Other Loans and Investments	51,682,815.84	57,567,253.83
Bank Premises, Real Estate other than Bank Premises and other Assets	3,448,883.09	3,835,165.52
	$98,803,734.95	$113,568,502.74

LIABILITIES

Notes in Circulation	$ 9,352,774.00	$ 12,593,316.00
Deposits	73,527,252.86	84,407,678.35
Due to Other Banks	544,828.30	1,077,988.88
	$83,424,855.16	$ 98,078,983.23

Dealers in Municipal Bonds and Government Issues.
Savings Bank Department at all Branches of the Bank.
Interest allowed on Deposits at highest current rate.
Keep your Victory Loan Bonds and other Securities in our Safety Deposit Boxes. Rentals $3.00 per year and upwards.

THE ROYAL BANK OF CANADA

INCORPORATED 1869

HEAD OFFICE - MONTREAL

Capital Authorized $25,000,000 Reserve Funds $15,000,000
Capital Paid-Up $14,000,000 Total Assets $427,512,982

BOARD OF DIRECTORS

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F. J. SHERMAN - - - - Asst. Gen. Manager
C. E. NEILL - - - - - General Manager
M. W. WILSON - - - - Supt. of Branches

Statement to the Dominion Government, November 30, 1918

LIABILITIES

Capital Paid-up	$ 14,000,000.00
Reserve Fund	15,000,000.00
Undivided Profits	535,757.19
Dividend No. 125, payable Dec. 2, 1918	420,000.00
Notes in Circulation	39,380,975.74
Deposits	341,601,840.87
Due to other Banks	6,095,721.12
Bills Payable (Acceptances by London Branch)	316,058.43
Acceptances under Letters of Credit	10,162,629.56
	$427,512,982.91

ASSETS

Cash on Hand and in Banks	$ 83,235,138.22
Deposit in the Central Gold Reserves	26,000,000.00
Government and Municipal Securities	66,220,862.27
Railway and other Bonds, Debentures and Stocks	15,084,414.64
Call Loans in Canada	10,067,481.94
Call Loans elsewhere than in Canada	24,374,191.40
	$224,982,088.47
Loans and Discounts	183,864,338.79
Liabilities of Customers under Letters of Credit as per contra	10,162,629.56
Bank Premises	6,492,011.85
Real Estate other than Bank Premises	1,171,131.69
Mortgages on Real Estate sold by the Bank	97,963.80
Deposit with Dominion Government for Security of Note Circulation	742,818.75
	$427,512,982.91

530 BRANCHES

471 BRANCHES IN CANADA AND NEWFOUNDLAND
194 in Ontario and Quebec 78 in Maritime Provinces
152 in Central West 41 in British Columbia
6 Branches in Newfoundland.

56 BRANCHES IN WEST INDIES, CENTRAL AND SOUTH AMERICA
26 in Cuba 13 in British West Indies
3 in Porto Rico 3 in British Guiana
5 in Dominican Republic 1 in British Honduras
4 in Venezuela 1 in Costa Rica

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Throughout CANADA, the WEST INDIES, CENTRAL and SOUTH AMERICA handled promptly and on favorable Terms.

A General Banking Business Transacted

CANADA'S MILLS NEEDED TO FILL WORLD FLOUR BIN

No Cessation of Demand With the Conclusion of the War

IN STRONG POSITION

The Milling Companies Have Greatly Added to Reserves and Liquid Assets as Result of War-time Prosperity

With the flour mills of Canada the reconstruction period is forming a noiseless junction with the war period. There are no sudden jolts, such as the most of industries are experiencing; no right-about-turn orders to obey. The flour mills of Canada continue to pour as steady and as voluminous a stream into the world's flour bins as they have done during the past two years—every barrel they can spare from the domestic needs of their own country.

Just to hand are some interesting figures showing what they have done in the direction of the world's flour bin. For the twelve months ending October 31, 1918, there were 10,131,845 barrels of flour sent overseas from Canada, over 2,000,000 more than the year before. But with the price much higher the total value this past year far exceeded that of 1917, as $108,637,798 to $68,371,300, and $46,000,000 two years ago. Here are the figures to compare:

Exports of Wheat Flour

	1918	1917	1916
Barrels ..	10,131,845	8,129,178	8,316,494
Value ...	$108,637,788	$68,371,300	$46,008,918

Starting in with November last the mills have been able to go ahead to the limit in their production of flour, and enough has been allotted to them to make certain that they will have at least ten months of close to capacity business, which will mean that the year 1918-19 should rank as well as that of 1917-18. With prices of wheat fixed, at all events to the end of their present fiscal years, they need not fear for depreciation in the values of their stocks on hand, either of wheat or of flour.

Growth in Financial Strength

But an analysis of the annual statements for the past five years, from 1914 to 1918 inclusive, furnishes as good an illustration probably as any industry of steady growth in financial strength and their internal powers of resistance to any but the most radical blows that an industry may receive in the change-over that peace has forced upon so many. Large surpluses, big increases in their working capital, the cutting down, and, in practically every case, the elimination of banking indebtedness; the redemption of large amounts of outstanding bonds; in a word, placed them in such a position that they will not require profits and business equal to that done during the war in order to make even a better net showing. This is what the abnormal demands for their profits during the war has done for the milling companies; just as in cases of other industries it has been the elimination of outside competition and the consequent increase of their own sales, with profits commensurate with the increased values all around, without an increase in the percentage earned. The textile stocks illustrate this to a remarkable extent; so, too, the steel stocks, and many of the specialty stocks, wherever war business figured prominently, as in the case of Canada Cement Company, Lyalls, Asbestos Corporation, Canada Steamships, many of the pulp and paper companies, and others.

Over $6,000,000 Working Capital

Taking the largest flour milling company in Canada, Ogilvies, the net working capital rose from $1,297,000 to $6,664,000 in the five years, and the surplus from $582,000 to $1,330,000 with large contingent funds in addition.

The Maple Leaf Milling Company, which has figured so prominently on the stock exchange in the last few months, increased its net working capital from actually "below the line" in 1914 to the extent of $162,510, to a surplus of $2,815,404. It should be noted that in this case nothing is allowed against the liquid assets as an allowance for the Contingent Account, but this can hardly be charged as a current liability. From $333,968 the surplus has grown in the five years to $1,572,509.

In the case of St. Lawrence Flour the working capital increased in a single year from $431,791 to $555,903, although in this, as in the other cases, a portion of the increase in the past year must be attributed to the fact that stocks were nearly all liquidated through peculiar trade conditions, and turned into cash at full value.

Lake Of The Woods

	1918	1917	1914
Profits	$ 857,914	$ 569,748	$ 507,939
Bal. for.	803,914	515,748	408,939
Earnd on com	33.23%	19.56%	14.47%
Sur. for year.	346,914	242,748	135,939
Total surp. ..	*978,798	831,883	989,074
Inventories ..	669,879	1,371,728	659,110
Net work cap.	**1,764,061	1,419,383	1,075,212

*After reductions for Bond Redemption Account, now standing at $400,000.

**Even after deducting "Contingent Account," against depreciation, the exact amount not being stated.

Ogilvie Flour Mills Co.

	1918	1917	1914
Net income.	*$1,955,414	$1,358,847	$ 449,944
Earnd on com	72.62%	48.75%	12.40%
Sur. for year	1,140,414	593,847	109,944
Total surp. .	1,330,592	1,440,178	582,466
Inventories ..	1,462,916	2,637,010	1,234,379
Net wk. cap.	6,664,499	3,649,600	1,297,024

*After providing for war tax and bond int.

Maple Leaf Milling Co.

	1918*	1917	1914
Profits	$1,021,267	$ 738,644	$ 418,169
Earn. on com.	29.31%	16.26%	3.68%
Surp. for year	170,177	191,571	92,083
Total surp. .	1,572,509	1,402,332	333,968
Inventories .	1,999,813	4,067,547	2,991,496
Net work cap.	2,815,404	1,347,311	162,510*
Com. stock ..	2,500,000	2,500,000	2,500,000

*A deficit in work. capital.

Western Canada Flour Mills

	1918	1917	1914
Profits	$543,844	418,023	315,246
Earn. on com.	19.5%	15.4%	10.1%
Surp. for year	226,253	156,383	57,293
Total surp. ..	*858,434	844,652	502,263
Inventories ..	509,084	1,576,257	1,150,902
Net work cap.	910,730	1,050,279	798,054
Com. stock .	2,340,100	2,124,700	2,124,700

*After allowing $212,470 for stock dividend issued Dec. 15, 1917.

St. Lawrence Flour Mills

The same details have not been entered into in the case of St. Lawrence Flour Mills Co., as this is only a recent addition to the number of listed milling stocks, and its rapid growth is more recent even than 1914. During the past year, however, its profits amounted to $268,737, compared with $171,071 one year before, and $132,312 in 1916. This past year there was available for common dividends $214,998 as compared with $87,041, or 18 per cent. as compared with 7½ per cent. one year before. Placed on a dividend basis one year ago it now pays 6 per cent. and a bonus of 4 per cent., and this may be increased to 10 per cent. in the near future as a regular dividend.

Big Advance in Stock Prices

The year has seen some of the most marked changes in the stock exchange prices of the milling securities of any in the list. It is speaking well within moderation to state that the advance in the milling stocks have far exceeded those of any other securities in the whole list. Lake of the Woods shows an advance over the low of 47 points; Maple Leaf of 46; Ogilvie Flour of 70, and St. Lawrence of 46¾. The high and low figures compare as follows for the tw oyears:

	1917.		1918.	
	Low	High	Low	High
Lake of the Woods	120	129½	120⅛	167
Maple Leaf	91	115	94	140
Ogilvie Flour	137	158	145	215
St. Lawrence	Not listed.		50	96¾

"Controlled"

Being a food industry the flour mills were more "controlled" so far as the number of regulations was concerned than any other. Even now they are very much under the Food Control Board, for they are still engaged on "war" flour—this prevents them taking advantage of the various brands that they have spent so much to popularize.

A brief statement of the part the heads of the leading mills have played will be in order. Shortly after the Food Controller was chosen a special committee of the millers was appointed to advise him, consisting of the following:

W. A. Black (chairman), Ogilvie Flour Mills, Montreal; D. A. Campbell (vice-chairman), Campbell Flour Mills, Toronto; F. A. Bean, Robin Hood Mills, Moosejaw, Sask.; L. Goldie, James Goldie Company, Guelph, Ont.; G. A. Gray, T. H. Taylor Company, Chatham, Ont.; W. W. Hutchinson, Lake of the Woods Milling Company, Montreal; J. E. McFarlane, Western Canada Flour Mills Company, Toronto; W. T. Moore, Georgian Bay Milling Company, Meaford, Ont.; Gen. A. E. Labelle, St. Lawrence Flour Mills, Montreal; Jas. A. Robb, Northland Milling Company, Winnipeg; Hedley Shaw, Maple Leaf Milling Company, Toronto; N. C. Sinclair, Empire Flour Mills Company, St. Thomas, Ont.; C. B. Watts, Dominion Millers' Association, Toronto.

At first all administration work was done by the millers' committee, but one year ago this passed under the control of the Food Board's milling department. The committee, however, continued, and has done much work of importance to the industry.

Committee's Accomplishments

At the request of the then Food Controller, the Hon. Mr. Hanna, the committee studied the problem of flour mills in the interests of conservation of food for the Allies and of the cost of living. Representatives were sent to the United States to study the system there, the intention being to adopt a similar system in Canada. Following this the Millers' Committee made certain recommendations which, on the whole, were rather more favorable to the consumer than those in the United States. They were based on a fixed margin of profit for each mill; but the Food Controller thought, in order to stabilize the price of bread, it would be better to adopt a system giving a uniform and stabilized price for flour. The Millers' Committee worked out the system required, and it involved the solution of many subsidiary problems, including the quantity of wheat the mills would be allowed to grind and its fair distribution among them, the provision of a fund to meet carrying charges, and the fixing of prices for bran and shorts.

It should be noted also that when the price of wheat was fixed in 1917, the mills were confronted by a serious situation. No one could afford to hold wheat and the export demand was so great that there was a danger that the country would be drained of supplies. The mills could not secure the funds to buy and hold their season's supply. Eventually an arrangement was made whereby the Wheat Exporting Company, the purchasing agency for the Allies, paid for all wheat arriving at the head of the lakes and reserved a certain proportion for the eastern mills, drawing on them only as the wheat was shipped, while the Board of Grain Supervisors agreed to place embargoes on districts in the West which were in danger of being cleaned out of wheat before the local mills secured their share.

The Committee has handled many other matters of importance, such as standards and prices of flour, and of mill feeds, and its work is not yet done.

FOOD EXPORTS

Expansion in Shipments of Manufactured Products

OTTAWA.—How marked has been the expansion of Canadian farm production under the stimulus of the war is well known. That the same or relatively even greater expansion has taken place in the output of manufactured food products has not until recently been appreciated, in the absence of the necessary statistics.

The Dominion Bureau of Statistics, however, has just completed its compilation of a complete census of industry taken for 1917, and the figures are available for comparison with those of 1915, the last year for which similar data are available.

In 1915 the value of manufactured food products in Canada was $388,815,362; in 1917 this had risen to $755,245,185. A list of the more important branches included in the latter total is as follows:—

Baking Powder and Flavoring Extracts	$ 2,193,846
Bread, Biscuits and Confectionery	77,103,656
Butter and Cheese	75,397,751
Chewing Gum	2,092,605
Cocoa and Chocolate	5,270,316
Coffee and Spices	9,840,159
Condensed Milk	8,097,217
Confectioners' Supplies	240,731
Dairy Products	10,327,268
Evaporated Fruits and Vegetables	2,470,344
Fish, preserved	26,826,114
Flour and Grist Mill Products	226,062,410
Foods for stock	873,934
Fruit and Vegetable Canning	16,385,964
Jams and Jellies	2,997,782
Macaroni and Vermicelli	1,006,750
Slaughtering and Meat Packing	153,563,318
Slaughtering (not combined with meat packing)	53,441,466
Sugar, refined	73,329,260
Tallow, refined	69,550
Vinegar and Pickles	2,947,549
Miscellaneous	4,707,195
Total	$755,245,185

U. S. WINTER WHEAT

Record of December 1st Best in Country's History

CHICAGO. — The December 1st winter wheat production was the highest on record and the area planted was the largest ever reported. The territory now in winter wheat is 49,027,000 acres, the autumn planting showing an increase of nearly 16 per cent. above the area sown the year before. Under these conditions, therefore, the outlook for the farming communities is unusually strong, since the Government guarantees the price of wheat which the outside world is badly in need of. This showing is most suggestive, since a few months ago when farmers were importuned to plant a large area as a patriotic service a goal of 47,500,000 acres was set. The results show that the farmers did even better than they were asked to do, so that the condition of winter wheat is actually some 19 points better than it was a year ago.

The number of men discharged from the American army or slated to be discharged is in excess of 1,100,000. Fourteen battleships and ten cruisers will take part in transporting troops from France.

Ask Your Filing Clerk

She'll tell you what a carnival of confusion reigns when the transfer of your old papers and records is "put off" till the last minute.

She'll tell you how great the possities of mislaying papers in the year end rush—how serious the chance of even losing vital business documents.

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STEEL IS KING WHEN NATION GOES TO WAR

Great Basic Industry Was All Marshalled For Winning Conflict

READJUSTING PRICES

Investors Are Now Waiting for a Further Decline Following Withdrawal of Government Control

By B. E. V. LUTY
Pittsburgh correspondent of Canadian Machinery

PITTSBURGH—A keynote thought which will serve at once to explain much that developed in steel distribution during the war, and also to furnish a line on the situation produced when the war closed is this, that steel is the basis or backbone of modern industry. It is not primarily or chiefly a weapon, but rather performs important functions in nearly all the activities that are essential in conducting modern warfare. The idea that steel is chiefly a weapon, offensive or defensive, is a relic of the middle ages, when the armorer was more important than the blacksmith.

That there is much to explain about steel's connection with the war is obvious. One is entitled to an explanation, for instance, of how it was that prominent steel men, some of the brightest and most broad-minded in the industry, were engaged for several months after the United States declared war, on April 6, 1917, in attempting to make estimates of how much steel would be required for war purposes. These estimates, which the writer endeavored at the time to follow carefully, ranged from 10 to 35 per cent. of the total output. The mental attitude, moreover, was that this amount of steel was going to be subtracted from the general supply, so that, once the percentage was determined, as many men thought they could do, one would be able to see how scarce steel was going to become. If the proportion was only 10 per cent., the difference might not be noticed, but if it was as much as 35 per cent., then steel would become very scarce for peace purposes.

Why Steel Was Scarce

In the retrospect all this looks foolish, but equally foolish appraisals as to the future will be made if the fundamental or keynote principle is not faced squarely, that steel is the basis of modern industry, and industry was all marshalled for winning the war. Steel was very scarce during the war, but it was not scarce simply because a large tonnage was shot away in the form of shells, or went into gun manufacture. The coal mines worked as never before, and used much steel. Many cars and locomotives were built. Public service corporations were strained to furnish more current than ever before. Tools of all sorts were in great demand for carpenters, blacksmiths, machinists and all trades. Tremendous quantities of machine tools were required. Motor trucks and passenger cars were required. These are all peace goods. Airplanes were not commercial before the war, but they are now, for during the war the United States Post Office department established one aerial mail route and lately it has established another, with others to follow.

It took a long time, as a matter of fact, for it to become clear that all steel was needed for winning the war simply because it was not realized that practically all industries were going to be put in line to help. Late in 1917 some of the steel producers felt that within a short time steel would become plentiful, because, apparently, so many of their customers would have reduced demand. When steel production was so greatly curtailed by the transportation break-down last winter these observers felt that the time was merely postponed two or three months.

What occurred was that while many customers of the steel industry lost much of their ordinary business, the Government gave them orders requiring the same goods they had previously been making, or goods merely of a slightly different description, and they became customers of the steel industry again.

The Pressure was Applied

J. Leonard Replogle, director of steel supply, was continually calling for more steel. About April 1, 1918, he redoubled his efforts and insisted to the steel producers that they would drop all considerations but that of furnishing steel for winning the war. At a meeting of the steel industry, April 26, a "100 per cent. efficiency pledge" was taken. The War Industries Board then proceeded to take complete charge of the production and distribution of steel. On May 17 a joint committee of the board and of the industry was appointed to study the whole matter on a practical basis. June 6 the board promulgated comprehensive regulations, greatly extending the priority list, and establishing, to follow the priorities, a "list of purpose entitled to preferential treatment." If any steel should be left it would fall into what was afterwards designated as Class D, and could be shipped for purposes not designated as essential, upon the securing of a written permit from the Director of Steel Supply. It became clear that the chief function of this regulation was to discover steel for which there was no designated use, whereupon the War Industries Board would divert it to some priority or preference use.

Tremendous Amount Asked For

The Director of Steel Supply first estimated the steel requirements for the second half of 1918 at 20,000,000 net tons in the form of finished rolled product, while he claimed the maximum production attained in any half year had been only about 16,500,000 tons. Later he raised the estimate to 22,000,000 tons, and still later expressed the belief that the requirements would more likely prove to be 25,000,000 tons. Just here it is interesting to note that if production in December were at the same rate as in November the half year's output would be about 18,500,000 net tons, thus it is evident that the supply was not equal to the programme mapped out. The steel desired for all the more important uses had been estimated at the maximum that it seemed possible to use, and it did not prove possible in all cases to use the maximum. A chain is as strong as its weakest link, but in designing the war chain the effort was made to have each link as strong as possible. Thus, in shipbuilding, there was pressure for a supply of steel for the rapid putting of steel into hulls, and for a maximum supply of boilers, engines and other appurtenances. As time passed it developed that the weakest link in the chain was the supply of equipment. Hull launchings ran far ahead of vessel completions, and steel accumulated between the plate mill and the shipway. To change the simile, the "bottle neck" was the supply of equipment, but no one could have told in advance that it would be there rather than somewhere else. Without so much pressure for steel the bottle neck might have been there instead. In the matter of shells there were corresponding experiences. Early in 1918 the bottle neck was in forging capacity for large shells; later, with a large increase in forging capacity there was a good supply of forgings, and there was one time when, on account of shortage of shell steel, where the bottle neck appeared to be temporarily, supplies to certain forge shops were curtailed, but the machine shops had supplies of forged material upon which to draw.

No Famine in Domestic Lines

Reverting to the fundamental idea that steel is the basis of modern industry, and nearly all industries were called to the colors, so to speak, it becomes plain that the end of the war could not find the country bare of steel all along the line. The chief customers of the steel industry had been well supplied with steel. It was not the direct customers who were denied steel. His customer, in turn, may have been denied the finished product, and that is where the scarcity, if any, would develop. Lawn mowers would have become very scarce because the lawn mower factories were expected to turn out something useful for the war. Stoves for the civilian population became somewhat scarce, though the effect was barely noticeable, because stove factories were making stoves for the Government. Stocks of steel in jobbers' hands were strictly controlled, and the civilian population could not get their usual supplies. Automobiles did become very scarce, while the demand continued. The result was that when the armistice was declared and the restrictions on the manufacture, distribution, and consumption of steel were removed, the chief new demand that came to the steel trade was from the jobbers and the automobile manufacturers. Other customers continued to require steel, but at reduced rather than increased rates.

With the great majority of consumers of steel busy helping to win the war in one way or another, and many of them supplied with more steel than usual rather than less, one may ask how it was possible to find also the steel that was used directly in warfare, for there was a large tonnage so used, for shells, guns, transportation in France, warehouses on both sides the Atlantic and for the extensive shipbuilding programme.

Where the Axe Was Applied

Where was this steel found? It was found by the almost complete stoppage of construction work that was considered unessential. Now in normal times perhaps half, probably considerably more than half of the steel produced goes into permanent construction, in other words into investments. A clear distinction must be made between the two uses of steel. No exact line can be drawn, but broadly speaking the distribution of steel in normal times involves two classes, the first represented by things like the following: Tin cans, tools, household utensils, repairs, etc., etc.; and second, bridges, office buildings, hotel buildings, factories, public service establishments, railway rolling stocks, etc., etc. Consumption along the first line continued, while consumption along the second line was practically cut off, except where the war required it.

While the War Industries Board placed a ban upon building, however, it must not be thought that otherwise building would have continued to any extent. High costs all along the line furnished their own damper, and the War Industries Board with its prohibition merely caught what was left.

When Will Costs Come Down?

The question now is, when will costs be such that investments will be undertaken? We have seen that the ordinary consuming industries were not, in the main, starved as to steel, but rather were fairly well supplied. Some of them will require less steel, at least for a time. The steel that ordinarily goes into investments was diverted to direct war use. The investment buying must return. The demand for steel is already light, and it will grow lighter, week by week, as those whose accumulated wants are filled. Some observers in the steel trade think production may drop to 60 or 70 per cent. of capacity, perhaps before the new year is many weeks old. Almost everyone believes that eventually there will be a very heavy demand for steel, but that will come only when the investor has come into the market.

This matter of the investor is a very complicated one. The investor thinks only of the total cost of his investment. Taking the average or typical investor, and considering him broadly, whether he is the head of a new enterprise or merely a subscriber to so many shares of stock, or whether he is a municipality contemplating improvements, or an existing corporation thinking of making an extension, the investor thinks of the total cost of the investment, of which more anon. He must set this estimated cost against two things, first the pre-war price that his competitors had for a new factory or a new hotel or office building will have to compete with those already in existence, and second, the prospective cost of the same investment six months, one year, or two years later. If 10 per cent. of the capital can be saved by waiting six months, or 20 per cent. by waiting a year, the best thing to do is to allow the money to lie at interest until it will buy more. Suppose for argument, that costs are never going to come down, that is not sufficient to start investment buying. The investor must first assure himself that with his high cost investment he can compete with the lower cost investment already in the field. Next, he must be convinced of this fact that costs are not going to come down. Professor Smith, the eminent economist, or John Jones, president of the Blank Steel Company, may be convinced, but if Joe Brown has the capital it is Joe Brown who must be convinced.

Many Costs Make Up Total

Now as to the cost of the investment. Mr. Brown considers it as a total. The ordinary investment, that involves the use of steel, requires also the purchase of many other materials and also the employment of much labor. If the total cost has to come down it is not sufficient for the price of steel to come down. Prices of the other materials must also come down before the investment is made if they are going to come down at all. If labor cost is to come down it must also come down before the investment is made. This labor cost is made up of two elements, the basic rate of wages per hour or per day and the amount of service rendered per hour or day. Many employers complain much less of wage rates than they do of the indifferent performance of labor.

Steel prices have come down a trifle and will probably come down more, but that is only one element, no one needs to worry much about the price of steel. The American steel makers are intelligent and will face the situation. They will not be the stumbling block to a resumption of investment buying and they may have considerable room for reducing prices. The reductions in steel prices just made as a readjustment measure make an average, considering all important finished steel products, of about $4.25 per net ton. For the first three-quarters of 1918 the Steel Corporation made deductions for war taxes amounting to between $17 and $18 per ton, and still showed large earnings left. Taxes for 1918 will be lower. As to wage cost, there is room for considerable decrease if the men will work harder, work as they formerly did, without reducing the hourly wage rate. The latter may come or may not, but the former will come.

CANADA'S EXPORTS AND THEIR PART IN BEATING HUN

Shipments of War Commodities Totalled About $1,300,000,000

FOODSTUFFS GREATER

Total of Shipments Playing An Important Part in Victory Were More Than $2,200,000,000 During Conflict

A weaver of romance should write the chapter, in the story of Canada's war participation, dealing with the response of the Dominion to the vast needs of the Allies in the prosecution of their war programme. Then, and only then, would one read the lambent account that should go down into history.

Canada, which before the war was a plodding factor in foreign trade, suddenly turned to full account the mighty resources of a young ambitious nation and sent overseas such vast shiploads of the products of her rich soil and quickly equipped war factories that she leaped into prominence as a great world trader.

Prior to war, Canada's best year of export trade amounted to less than five hundred million dollars. In slightly more than four years of war Canada rolled up the huge total of four and one half billion dollars in export trade and commerce.

Before Canada threw in her lot with the Mother Country and the Allies in their struggle for the rights of mankind against savage might, this country knew practically naught of the manufacture of the munitions of war. Canada and Mars were scarcely on speaking terms. Canada emerged from the war with a contribution of nearly $2,000,000,000 worth of war commodities to the great cause to her credit.

The detailed figures of the Dominion's trade for the month of October, which are just available, make possible a compilation of Canada's export business in war supplies virtually for the complete duration of the war, the signing of the armistice early in November bringing about a cessation of further shipments overseas. Exports of war materials and foodstuffs from Canada to the Allies during the month of October were valued at $96,757,400. The October figures bring the grand total of Canada's shipments to the Allies for the period of the war to $3,245,635,900 or about 75 per cent. of the aggregate of Canada's export for the war months, according to the special statistics maintained by THE FINANCIAL POST.

The October figures compare with $69,951,000 for January, $64,475,000 for February, $66,526,900 for March, $47,604,000 for April, $46,195,000 for May, $74,720,700 for June, $69,999,800 for July, $49,313,400 for August, and $100,140,200 for September.

The record of the Dominion's food and war shipments to the Allies for

Continued on page 36

DEALERS IN

GOVERNMENT, MUNICIPAL AND CORPORATION BONDS

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Assets under administration, over $85,000,000.00

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CANADA'S PART IN MEETING THE SUBMARINE PERIL

Many Trades Involved in the Shipbuilding Activities

WHAT OF FUTURE?

Industry Promises to Thrive as Long as Government Contracts Last, but After That There is Uncertainty

By T. H. FENNER
Editor Marine Engineering

NOW that the tension is ended, and we have time to look back, Canada's effort in damming the drain on the Allies' shipping stands out as strong as that of any.

She went into shipbuilding as heartily as she entered into the munition making, and with as much success. As compared with the munition industry the latter was purely and simply a war measure, the utility of which would end with peace, whereas the shipbuilding industry, primarily entered on as a war measure, is capable, under certain conditions, of becoming a staple part of the country's industrial existence. For the immediate future, the need of ships is just as urgent as before peace was proclaimed. The state of the world's shipping before and during the period of the war were about as follows: On Aug. 4, 1914, the total tonnage of allied and neutral countries was approximately 42,000,000 tons. Up to January 1, 1918, the total losses by mine and submarine were 9,500,000 tons, and by other marine casualties, 1,275,000 tons. This gives a total loss of 10,775,000 tons. Deducting this from the total at Aug. 4, 1914, we have 31,225,000 tons of pre-war shipping afloat. To this must be added the ships constructed during the same period, which amount to 4,485,000 tons, making the total at Jan. 1, 1918, 35,710,000 tons. This is a decrease of 6,290,000 tons. Taking the Allied Nations alone, the position on Aug. 4, 1914, was about as follows:

Great Britain	20,000,000 tons
France	2,300,000
Italy	1,700,000
U. S. A.	8,000,000
	32,000,000

The Falling Off

Now, taking the normal development in peace time, this shipping should have shown an increase of approximately 17½ per cent., or 5 per cent. per annum. That is, the total on the 1st Jan., 1918, should have been 38,400,000, instead of which it was only 24,900,000, a shortage of 13,500,000 tons. Since then to the close of the war the losses and new construction have about balanced, so we may say the world is short of tonnage by the amount stated. At the present rate of building it will take approximately two or two and a half years to make up this loss, without counting the ordinary losses incidental to navigation in peace times, from marine casualties, and ships going out of commission through ordinary depreciation, or old age.

The distribution of the world's tonnage will show a considerable difference when the losses are finally made up.

Britain Hard Hit

Great Britain has been the heaviest sufferer, by far, from the losses due to war, and her building activities have been hindered, not only by the necessity of building war vessels, especially of the anti-submarine type, but by the enormous amount of repair work she had to undertake; and also the fact of so many of her skilled men being drafted into the fighting forces. Before the war Great Britain owned and operated fifty per cent. of the total world's tonnage. After the readjustment period she will probably be owning only one-third of the total tonnage, with half of the remainder owned by the U.S., and the rest divided between the remaining maritime nations. Competent authorities estimate the total deadweight tonnage in 1914 at 60,000,000 tons. If this total is again realized two years after the close of hostilities, it will mean that Great Britain will own 20,000,000 tons, the United States the same, and Japan, France, Germany, Norway, and the smaller maritime nations divide the rest between them. In the British total the tonnage of the Dominions of the British Empire has been included. This was because the shipping of the Dominions combined were but a small percentage of the total British shipping, and most of their ships were built in Great Britain and remained under English registry. Australia and New Zealand got practically all their ships built in Great Britain, and in Canada the building was confined mostly to small vessels, many of them wood. On the Great Lakes there were some good sized steel vessels built for Canadian registry by Canadian builders, but most of the lake freighters were built in U.S. yards.

Canada's Achievements

At the beginning of the war, Canada's shipbuilding activities were limited to some construction on the Great Lakes, small wooden vessels round the coasts of the Maritime Provinces, and wooden vessels of varying sizes up to 1,000 tons on the B.C. coast. On the St. Lawrence the Canadian Vickers had established a modern shipbuilding and ship-repairing shop, with a large floating dry dock at Montreal, and further down the river there were other dry docks and yards. The Canadian Government had a ship yard and repair shop at Sorel, and at Quebec were the yards of the Davie Shipbuilding and Engineering Co. The Canadian Vickers yard at Montreal is the Canadian branch of the English firm of Vickers Maxim. The Naval dockyard at Halifax was practically shut down, and the same might be said of the one at Esquimault. This was the result of Sir John Fisher's policy when First Lord of the Admiralty. At the end of 1914 there were on the books of the Canadian Registry 8,772 vessels. Of these, 4,054 were steamers, of a gross tonnage of 744,783 tons. This gives an average of less than 200 gross tons each, in fact there were only one hundred and ninety-two steamers of over 1,000 gross tons on the register. At the end of 1917 there were 221 steamers of over 1,000 tons registered in Canada, but a good number of vessels had been built for export.

The Contracts Came

The Imperial Munitions Board, which was created in 1915, turned its attention to shipbuilding, with the result that contracts were given in Canada for 43 steel ships, and 58 wooden ships, with a total deadweight capacity of 360,000 tons. The value of these contracts was $70,000,000, and was divided between British Columbia, Ontario, Quebec and a small portion to the Maritime Provinces. There are at present in Canada 45 berths for building steel vessels of 3,000 tons up to 10,000 tons, besides the yards devoted to wooden shipbuilding. The ships for the Imperial Munitions Board to be launched this year, both steel and wood, are 79 in number, aggregating 318,400 tons deadweight. Besides these ships, 11 steel vessels have been built for the Marine Department of the Government, with a capacity of 48,000 tons. For private owners, 14 steel vessels of 62,400 tons deadweight have been built, as well as 8 wooden vessels of 17,800 tons deadweight. These figures are all for vessels of over 1,000 tons. Besides these vessels, Canada has supplied 550 submarine chasers for the Imperial Government, and 36 for the French Government. A number of drifters and trawlers have also been supplied to the Imperial Government. Truly, this is a remarkable effort, considering the amount of work that the country was putting into its munition industry, and taking into account the handicaps which the industry was up against. Labor of the right kind was hard to get, and in too many cases, hard to get along with. Securing steel sections and plates was a hard task, and would have been impossible but for Government help. Some of the yards were actually building ships at the same time that they were building their shops, and installing their machinery. However, ships were wanted, and they were furnished, and they form another item to the credit of Canada's war effort. The industry is assured of a period of prosperity in the near future, but after the Government contracts are through, its prospects are open to question.

Looking to the Future

Figures are obstinate things, and there is no burking the fact that to build a ship in Canada at the present time costs $200 per ton, against $120 per ton in England. Repairs cost about 80 per cent. higher on this side of the Atlantic, and several cases can be quoted where vessels have been towed several thousand miles to an English repairing yard, rather than have extensive repairs made abroad. The Canadian Government has expressed its intention, which is being carried out, of building a mercantile marine. This will be operated as a stock company by the Railway Board, and its profits or loss will be easily seen. Till the merchant fleet of the world gets back to its normal standing, an era of high freights and profits for ship owners will prevail. After this, when the open competition for the world's trade sets in, the trade will go to the ships that can make their profits with the lowest freight rate, and under those conditions it is hard to see how Canadian or American shipping can survive. Wages are higher in England than they ever were, but so they are on this continent. The operating cost of an American vessel has been generally reckoned to be 60 per cent. higher than a British vessel of the same size, and the Canadian vessel under Government ownership will approximate near to that. A capital investment of $200 per ton against $120 per ton means 40 per cent. higher, and if operating costs are only 30 per cent. higher, it is hard to see where the Canadian vessel could compete. Of course, the losses will be spread out over the whole country, and no one will notice it much, but it seems doubtful if private firms will wish to enter into the shipowning business. If conditions of building cost could be brought appreciably near to those of Great Britain and European countries, the operating costs, so far as wages and victualling are concerned, will probably, in a couple of years from now, be fairly equal to those prevailing in Great Britain, and there will be a field for a fair-sized industry in Canada. The establishment of plate mills in Nova Scotia, Ontario and perhaps later in British Columbia, would help materially, too, in reducing costs of building, while the adoption of standard ships would reduce the amount of skilled labor required, this also tending to make first cost less. In the meantime, the Government contracts and those for export will keep the yards busy.

CANADA'S EXPORTS AND THEIR PART IN BEATING THE HUN

Continued from page 35

the entire period of the war may be summarized as follows:

	War Commodities.
Fiscal year 1914-15	$32,891,200
Fiscal year 1915-16	149,463,600
Fiscal year 1916-17	383,442,200
Fiscal year 1917-18	484,377,500
Month of April, 1918	12,467,400
Month of May, 1918	19,666,400
Month of June, 1918	36,682,900
Month of July, 1918	38,299,800
Month of August, 1918	17,613,400
Month of September, 1918	70,398,200
Month of October, 1918	46,563,100
Total War Commodities	$1,291,865,700

	Foodstuffs.
Fiscal year 1914-15	$187,011,300
Fiscal year 1915-16	332,455,900
Fiscal year 1916-17	482,619,400
Fiscal year 1917-18	710,619,400
Month of April, 1918	35,136,600
Month of May, 1918	26,529,100
Month of June, 1918	37,637,800
Month of July, 1918	31,700,000
Month of August, 1918	31,124,400
Month of September, 1918	29,742,000
Month of October, 1918	49,194,300
Total foodstuffs	$1,953,770,200

JANUARY DIVIDEND PAYMENTS

Summary

Insurance	$ 210,110
Banks	653,000
Loan and Trust	1,285,504
Utilities	9,928,042
Mines	1,022,714
Industrials	3,891,140
	$16,990,510

Insurance

Company	Rate	Amount
Acadia Fire	1½q	$ 6,000
Canada Life	3¾q	37,250
Continental Life	7a	14,000
Dominion Life	3q	4,800
Great-West Life	7½s	74,385
Guar. Co. of N. America	2½q	7,615
Imperial Life	2½q	11,250
Manufacturers Life	4s	12,000
National Life	4s	10,000
North American Life	5s	3,000
Sun Life	7½s	26,250
Crown Life	3½s	3,560
		$ 210,110

Banks

Company	Rate	Amount
Dominion	3q	$ 180,000
Molsons	2¾q	110,000
Nova Scotia	3½q	227,500
Provincial	1¾q	17,500
Montreal C & D	4q	48,000
Merchants, Spd.	1	70,000
		$ 653,000

Loan and Trusts

Company	Rate	Amount
Canada Landed	2¼q	$ 27,112
Canada Permanent	2½q	150,000
Central Can. Loan	2½q	43,700
Colonial Investment	3s	73,059
Can. Mortgage Invest.	3s	36,714
Dom. Savings & Invest.	2½s	23,370
Eastern Can. Savings	2q	7,456
Empire Loan	1½q	9,067
Hamilton Provident	4s	48,000
Home Invest. & Savings	2q	19,782
Huron & Erie Mortgage	3q	75,000
Landed Banking & Loan	4s	40,000
London & Can. Loan	2q	25,000
London Loan & Savings	1½q	13,310
Ont. Loan & Debenture	2¼q	39,375
Real Estate Loan	3½s	17,500
Royal Loan & Savings	2q	12,000
Saskatchewan Mortgage	3s	23,316
Standard Reliance	3½s	91,161
Toronto Mortgage	2q	14,490
Toronto Savings	2½q	25,000
Guelph & Ont. Loan	5s	39,135
Industrial Mortgage	4s	25,348
Lambton Loan	4s	31,580
Peoples Loan	3s	15,000
Southern Loan	3s	27,000
Canada Trust	4s	40,000
Crown Trust	1½q	7,500
Eastern Trust	2q	20,000
Mercantile Trust	3s	14,505
Montreal Trust	2q	20,000
National Trust	2½q	37,500
Standard Trusts	4½s	33,750
Trusts & Guarantee	3s	41,649
Toronto General Trusts	2½+1q	52,500
Union Trust	2q	20,000
Imperial Trusts	1½s	3,000
London & Western Trusts	3½s	17,500
Western Trusts	2½q	25,125
		$1,285,504

Mining

Company	Rate	Amount
Con. Mining & Smelting	2½q	$ 261,935
Hollinger	1	246,000
La Rose Mines	1q	15,000
Nipissing Mines	5q	300,000
Porcupine Crown	3q	60,000
McKinley-Darragh	3q	67,430
Hillcrest Collieries, com.	1q	10,000
Do., pref.	1¾	12,349
Trethewey Mines	5	50,000
		$1,022,714

Utilities

Company	Rate	Amount
B.C. Electric, pref.	2½q	$ 180,000
Duluth-Superior, pref.	1q	15,000
Do., com.	1q	35,000
Illinois Traction, pref.	1½q	109,342
Ottawa Traction	1q	52,008
Ottawa Electric	3q	56,307
Porto Rico Rlys., pref.	1¾q	17,500
Toronto Railway	1q	120,000
Twin City, pref.	1¾q	52,500
West India Electric	1¼q	10,000
Brazilian Traction, pref.	1½q	150,000
Bell Telephone	2q	360,000
Dominion Telegraph	1½q	15,000
Mackay Co., com.	1½q	620,700
Do., pref.	1q	500,000
Maritime Telegraph, pref.	1½q	15,000
Do., com.	1½q	12,750
Montreal Telegraph	2q	40,000
Porto Rico Telephone, com.	1q	6,000
Can. Steamships, pref.	1¾q	218,750
Consumers Gas	2½q	133,408
Dom. Pr. & Trans., pref.	3½s	128,838
Nor. Ont. Light & Pr., pref.	3s	72,000
Ottawa Light, Heat	1½q	52,252
Penn. Water & Power	1¼q	106,187
Shawinigan Water & Pr.	1¾q	262,500
Toronto Elec. Light	2	80,000
West Kootenay Pr., pref.	1¾q	7,000
Can. Pac. Rly., com.	2½q	6,500,000
		$9,928,042

Industrials

Company	Rate	Amount
Abitibi Pr. & Paper, pref.	1¾q	$ 17,500
American Cyanamid, pref.	3s	236,856
Brandram-Henderson, pref.	1¾q	8,750
Burt, F. N., com.	1½q	11,250
Do., pref.	1¾q	34,566
Canada Bread, pref.	1¾q	21,875
Canada Cement, com.	1½q	202,500
Can. Consol. Rubber, pref.	1¾q	52,500
Can. Cottons, com.	1½q	40,732
Do., pref.	1½q	54,922
Can. Fairbanks-Morse, pref.	3s	45,000
Can. Gen. Electric, com.	2q	160,000
Can. Locomotive, pref.	1¾q	26,250
Do., com.	1½q	30,000
Can. Wm. Rogers, pref.	1¾q	8,750
Can. Salt	2q	16,000
Can. Westinghouse	1¾q	109,014
City Dairy	1¾q	12,250
Canada Paper, pref.	3½s	12,043
Can. Connecticut Cot., pref.	3½s	16,002
Can. Explosives, pref.	1¾q	81,375
Do., com.	1½q	51,064
Dominion Canners, pref.	1¾q	40,085
Dominion Linens, pref.	3½s	7,163
Dominion Steel, com.	1½q	556,465
Dominion Textile, com.	2q	100,000
Do., pref.	1¾q	33,960
Dunlop Tire & Rub., pref.	3½s	21,000
H. Smith Paper, pref.	1¾q	8,312
Goulds Manufacturing, com.	1½q	11,212
Do., pref.	1¾q	13,080
Interlake Tissue Mills	3q	7,500
Laurentide	3q	288,000
Lyall Construction, com.	2q	35,000
Maple Leaf Milling, com.	2½q	62,500
Do., pref.	1¾q	43,750
Loew's Theatres, pref.	1¾q	11,440
Nova Scotia Steel, com.	2½s	375,000
Do., pref.	2q	20,000
Ogilvie Flour, com.	3q	75,000
Ottawa Car Mfg.	1q	11,773
Pacific Burt, com.	1s	6,500
Do., pref.	1¾q	11,375
Price Bros.	2q	100,000
Provincial Paper, com.	1q	24,813
Do., pref.	1¾q	29,750
Sherwin-Williams, pref.	1¾q	57,522
Shredded Wheat, com.	2q	175,000
Do., pref.	1½q	18,750
H. Smith Paper, pref.	1¾q	8,312
Toronto Paper Mfg.	3+1s	30,000
Tuckett Tobacco, pref.	1¾q	35,000
United Cigar Stores, pref.	1¾	24,150
Wabasso Cotton	1½q	26,250
Woods Manufacturing, com.	1¾q	30,076
Do., pref.	1¾q	27,070
Canadian Car, pref.	1¾q	131,250
Stanfield's, Ltd., com.	1q	5,000
Do., pref.	1¾q	4,375
Dominion Glass, com.	1q	42,500
Do., pref.	1¾q	45,500
Dominion Iron, pref.	1¾q	87,500
		$3,891,140

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Yonge Street, Toronto, may properly be considered a typical market place. Here goods of every description are displayed for sale. The merchandise that passes through Yonge Street stores must total millions of dollars a year. Yonge Street is characteristic of hundreds of thoroughfares in other Canadian cities and towns.

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